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# THE INDEPENDENT

Wednesday 1 April 1998 45p (R50p) No 3,573

## Tobacco firms 'telling lies' on low-tar safety

By Jeremy Laurence  
Health Editor

**TOBACCO** manufacturers have fooled smokers into believing that low-tar cigarettes are safer than the conventional kind despite knowing for over 20 years that they are not, two charities say today.

In the latest damaging disclosure for the tobacco industry, researchers from Ash, the anti-smoking group, and the Imperial Cancer Research Fund have found documents showing that the industry has known since the late 1970s that smokers compensate for the lower dose of nicotine and tar in cigarettes such as Silk Cut Ultra or Marlboro Lights by taking more or deeper puffs.

The charities claim that the manufacturers have cynically designed cigarettes to give low tar readings but deliver high tar and nicotine to the smoker. Tar and nicotine levels are measured by a smoking machine that takes standard puffs through its steel "mouth". But smokers do not smoke like machines and tend to inhale more deeply or suck more often when nicotine levels are low.

Dr Martin Jarvis, of the ICRF Health Behaviour Unit, said: "It is scandalous that the tobacco companies have known this for so long, but continued to develop products designed to make compensation easy, while

at the same time marketing them with a healthy... image."

Low-tar cigarettes do not contain low-tar tobacco, but have ventilation holes around the filter so that more air is drawn in. To satisfy their craving for nicotine, smokers may subconsciously block the holes in the filter with fingers or saliva.

Silk Cut Ultra is rated at 1mg of tar, against 12mg for a conventional Benson and Hedges cigarette, but that did not mean that it carried one twelfth of the risk, Dr Jarvis said. Tests had shown that blocking the ventilation holes raised the tar level to 12mg.

Silk Cut Ultra was featured in an advertising campaign at the turn of the year which used the slogan "IAN ONE", to suggest that switching to the brand would be a good New Year's resolution, instead of giving up.

Dr Jarvis said: "The numbers on the cigarette packs are worse than useless and may be dangerous and misleading. Because of compensation for nicotine, smokers can and do get as much nicotine from these low-yielding cigarettes as from standard ones. It is worrying that people may be switching to these products rather than quitting."

"We hope that smokers will recognise that low-tar cigarettes are at best a fool's paradise and at worst a con-trick and begin the process of giving up."

Tobacco industry documents dating from the late 1970s and

early 1980s show that executives recognised the compensation effect. A British American Tobacco memo in 1977 asked: "Are smokers entitled to expect that cigarettes shown as lower delivery in league tables will in fact deliver less to their lungs than cigarettes shown higher?" It answered its own question in a 1984 memo: "Irrespective of the ethics involved, we should develop alternative designs (that do not invite obvious criticism) which will allow the smoker to obtain significant enhanced deliveries should he so wish."

Clive Bates, director of Ash, said: "So-called low-tar cigarettes are a grotesque confidence trick that has been running for 20 years. Brands described as mild, light and low should not even be on the market."

He said he had written to Tessa Jowell, minister for public health, seeking the immediate removal of the tar and nicotine numbers, a new pack warning about nicotine addiction, an end to branding that implied a health benefit and regulations to control the harmful components of tobacco.

John Carlisle, spokesman for the Tobacco Manufacturers' Association, said: "Low-tar cigarettes have been produced in response to consumer demand but the way they are smoked is up to the consumer. If they choose to tamper with the filter there is nothing we can do about it."

## Labour's spin doctors on their backs: Mandelson ridiculed and Campbell under attack



The Mandy of bronze: A 30ft fake statue of Peter Mandelson was carried across London yesterday to the site of the Millennium Dome at Greenwich in south-east London, where the first roof panels were being hoisted into position. The statue stunt was to advertise a cable television comedy channel. Photograph by John Voos

ALASTAIR Campbell, the Prime Minister's official spokesman, last night accused the media of staging a "self-indulgent orgy" after William Hague, the Tory leader, had suggested he was a liar, writes Anthony Bevins.

The row centred on a recent telephone call to Tony Blair made by Romano Prodi, the Italian Prime Minister. During which Mr Blair asked Mr Prodi what he thought about a bid from Rupert Murdoch for a controlling interest in three Italian television networks.

Mr Campbell spent last week saying the call had been made by Mr Prodi, and that as Mr Blair had only asked in passing about the attitude towards the Murdoch bid, he had hardly "intervened" on his behalf.

But the BBC carried a series of reports on the affair yesterday, with Francis Maude, a Tory frontbench spokesman, calling Mr Campbell a liar, and BBC political reporters complaining about Mr Campbell's "frightening" and "intimidating" conduct - a charge later dismissed as "jocular" by Nick Clarke, presenter of *The World at One*.

Three charges were laid by the Tories against No 10 - that Mr Campbell's briefing on the Prodi-Blair call had been "at best misleading and at worst deliberately false"; that Mr Campbell had attempted to gag Harriet Harman, and Frank Field, the social security ministers; and that Labour had tried to cover up a plan to set up a "cash-for-access" deal with Mr Blair's office.

At his evening briefing with political reporters, Mr Campbell drew a distinction between the legitimate journalistic interest in Mr Blair's relationship with Mr Murdoch and the question of whether he had lied. He said that every journalist in the room knew he had not lied.

But he accused the media of being obsessed with itself to the exclusion of issues of concern to real people. "There are certain subjects the media are allergic about," he said. "One of them is Murdoch: one of them is spin doctors. Put the two together, and you know you can have a self-indulgent orgy lasting days, which is what you are doing."

Boasting for Britain, page 10  
Andrew Marr, page 19

## I slept with Clinton, says beauty queen

By Mary Dejevsky  
in Washington

**MORE** trouble loomed for President Bill Clinton yesterday after a former Miss America, Elizabeth Ward Gracen, told a New York tabloid that she had had sex with him in 1982 when they were both married and he was governor of Arkansas. While she absolved Mr Clinton of behaving improperly towards her in any way, her admission added to the impression that the whole truth about his conduct has not been told. The only extra-marital sexual relationship he has admitted to under oath was with the former Arkansas night-club singer, Gennifer Flowers.

Ms Gracen told the *Daily News* the encounter with Mr

Clinton was "a very bad error in judgement" on her part, but it had been consensual. She was responding to a claim by a former friend of hers, given in sworn evidence to the Paula Jones sexual harassment investigation, that she had confided fearfully about a forced sexual encounter with Mr Clinton.

Despite being summoned to testify in the Paula Jones case, Ms Gracen stayed abroad during the pre-trial hearing and denied any involvement with Mr Clinton. However, she could be summoned to appear when the case comes to court next month. Ms Jones is suing Mr Clinton for sexual harassment, alleging that he made an unwelcome sexual advance in an Arkansas hotel room in 1991. Ms Jones's lawyers say that they want to in-



Clinton: fresh sex claim

roduce testimony from half a dozen or more women to show a "pattern of behaviour" by Mr Clinton over many years.

Mr Clinton's lawyers have petitioned the judge to apply sanctions against Ms Jones's team for contempt, saying the release at the weekend of details of a 20-year-old "unsustained third-party rape accusation" against Mr Clinton breached a confidentiality order imposed last year.

## Eight officers suspended in Wormwood Scrubs inquiry

By Jason Bennetto  
Crime Correspondent

**EIGHT** prison officers have been suspended and the police brought in to investigate allegations of brutality against inmates at Wormwood Scrubs in what is believed to be the biggest ever criminal inquiry involving jail staff. It was announced yesterday.

A junior governor, who runs the jail's segregation block, has also been suspended, but in connection with disciplinary matters rather than the accusations of violence.

Yesterday's moves come in response to the early findings of a Prison Service inquiry into allegations of systematic violence and racism against eight

inmates at the west London jail.

In a separate development, Scotland Yard has set up an inquiry into allegations made by nine prisoners from the jail after solicitors made a formal complaint yesterday.

If any prison officers are found guilty of an assault charge they could face long jail terms.

Since the original accusations were made public about a fortnight ago, the case has snowballed and become one of the most serious sets of allegations of brutality and mismanagement to face the Prison Service.

Tony Pearson, the Prison Service's director of security, yesterday announced that an interim report he set up had been able to identify most of the prisoners who allege maltreat-

ment. "There are very serious questions to be answered in five cases which the police should investigate," he said. "We have asked the police to do so."

"While the police investigation continues eight prison officers and one senior manager are to be suspended from duty."

He added that two other anonymous allegations were still being investigated and that "immediate action is being taken to strengthen management and supervision within the prison".

Mark Head, national chairman of the Prison Officers' Association, said they would fully co-operate with the police inquiry. "We have made it clear before that we believe the best place to go for these allegations to be investigated is the police."

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## 'People's Lords' to replace hereditary peers

**Exclusive**

By Charles Suter, Constitutional Affairs Correspondent

A CABINET committee drawing up plans for the abolition of hereditary peerages has proposed their replacement with temporary "People's Lords", according to documents leaked to *The Independent*.

Under the changes, existing hereditary Lords will stay in

place until they die. Their seats will then be taken by "ordinary citizens" chosen at random in a system similar to jury service.

The new "people's Lords" will serve for fixed terms of one, five or fifteen years. It is expected that the first citizens to be elevated in this way will take their seats in time for the Millennium celebrations at the end of next year. There will be no change to the system of life peerages.

The committee, chaired by the Prime Minister and in-

cluding Peter Mandelson, Lord Irvine and constitutional experts - was established soon after last May's Labour landslide.

Confidential minutes seen by *The Independent* reveal the committee examined the possibility of replacing the House of Lords with an elected second chamber, similar to the US Senate.

The idea was rejected because the committee was worried that "even a partly elected Upper House would challenge the democratic legitimacy" of

the Labour dominated Commons.

There were also fears that outright abolition of the Lords would bring renewed and direct pressure on the Monarchy itself - something which new Labour is keen to avoid.

The document details discussion of the "middle way" which Labour hopes will "preserve the stability and continuity" provided by the inherited peerage.

By allocating seats in the second chamber by lottery, ap-

pointments to the Lords will "remain beyond the political fashions of the day".

At the same time the removal of the hereditary element will get rid of an "out of date principle which is an affront to the sensibilities of a modern inclusive and increasingly classless democracy."

According to plan the "Lottery Lords" will be chosen by computers using the electoral roll. Citizens selected to serve in the Lords will be paid a salary "commensurate with

their current earnings with an additional element of compensation" for their period of office. Attendance will be mandatory, though as with jury service it will be possible to seek exemption.

Continued on page 2









## Sculptor 'carried body parts on Tube'

By Andrew Buncombe

AN ESTIMATED 2 million commuters use the London Underground every day. Who knows how many may have sat, unsuspecting, next to a rucksack containing an assortment of human heads, limbs and other shrivelled parts?

The sculptor Anthony-Noel Kelly regularly carried dismembered bodies on the Tube's Central Line, wrapping them in black plastic bin-liners and placing them in his rucksack, a court was told yesterday. Unknown to other passengers he transported the smuggled body parts from the Royal College of Surgeons to his home where he stored them in tea-chests.

Then, when inspiration called, the former butcher would carefully unwrap the body parts and cover them in rubber as part of a process to create "exact copy" gilt-covered sculptures.

Southwark Crown Court was told that once he was finished with the remains he would load them into the boot of a car and drive to Kent where he buried them in a 6ft deep hole.

But yesterday the artist tried to assure the court that he treated the severed bodies with respect. "I felt if the doctors were looking on, I was not insulting their body in any way," he said.

Mr Kelly, 42, and former Royal College of Surgeons lab technician Niel Lindsay, 25, both from London, deny stealing "human anatomical specimens" from the college between June 1991 and November 1994. Mr Kelly further denies dishonestly handling them.

The court has been told that after the artist was given per-

mission to draw body parts in the college's Lincoln Inn Fields premises, he became "itchy" for something more than two-dimensional work.

He ended up paying Mr Lindsay £400 to take pieces of dead bodies out of the college. He then displayed two studies of an old man's head and torso at an exhibition in London. Under cross-examination, Mr Kelly accepted that he was granted an "exceptional degree of trust" in being allowed to sketch any of the hundreds of body parts kept in the college's museums and demonstration rooms.

He said he then learnt from Mr Lindsay that the college was holding body parts longer than the three years allowed under the terms of its Anatomy Act licence. Mr Lindsay then agreed to help him get some of the specimens to his studio so he could make moulds from them. "It was something I wanted to share. It sounds very arrogant ... although I was not certain if people would like them," said Mr Kelly.

Asked if he felt he had behaved dishonestly, he replied: "I felt the dishonesty would have been more on the part of the college ... I didn't feel I was doing anything wrong."

Mr Kelly also denied providing Mr Lindsay with a shopping list of body parts.

"Did you ever say after four right feet, 'thank you Mr Lindsay, but no more right feet'?" asked Andrew Campbell-Teech, for the prosecution.

"No, I didn't find a right foot better than a left foot," replied Kelly. "I was not trying to make a human."

The trial continues.

## All the perks of a coffee renaissance



Cup in hand: Ally Svenson, 'driven by passion' to create Seattle Coffee Company. Photograph: Steve Bell

THE FACT THAT you can ask without embarrassment for a No Fun Vanilla with wings is probably down to this woman: Ally Svenson, 31, co-founder and managing director of the Seattle Coffee Company, writes Glenda Cooper.

Eighteen months ago there were six Seattle coffee shops in Britain: now there are 56. Svenson herself tells it as a romantic dream: moving here from Seattle she pined for her daily latte and despaired of ever finding anything other than insipid cappuccinos. "I would go into cafés in Soho and try to explain to them how to make a latte or beg them to add another shot," she says. "It was a bit of a selfish venture opening up the first place in Covent Garden."

In reality it was more prosaic: a year's hard work went into researching the coffee market as well as clever marketing, exploiting the name Seattle, the coffee capital of the world.

Ally and her husband Scott, her high school sweetheart, moved to London in 1990. She was employed by the US publishing company Comag as head of the import sales department, introducing American magazines to the European market "which was good practice".

After four years Svenson quit her job. She did careful research and set up her sources right down to the cups; they still have to be imported from America. The first bar was opened in Covent Garden in April 1995.

"Seattle Coffee were the first on the scene," says Nigel Passingham, executive director of the Real Coffee Association, who says a renaissance in coffee drinking has happened as people try different coffees abroad and want the same at home. "The name helped as well because people thought the coffee came from the style capital of coffee. They [the Svensons] spotted that kind of opening and ... brought in a more American feel."

However, when the first branch was opened it was "at the beginning of the

### IN THE NEWS

#### ALLY SVENSON

hottest summer in history and we opened in a listed building where air conditioning was not allowed". Despite this Svenson said that "within 24 hours" it was working. "But then if you can't do something in the middle of Covent Garden you shouldn't be doing it," she adds.

The Covent Garden shop catered mostly to tourists. The next two, however, were aimed at the domestic market. One was in the Canary Wharf office development in Docklands, east London, the other in a bookstore in Cambridge. Both were a success and the company is now the largest speciality coffee chain in the UK. At the beginning of 1997 Seattle's turnover was £3.5m, today it is £21m, and the company hopes to have 120 branches open by the end of 1998.

Ally was the creative impetus behind the launch, describing it as "driven by passion" while her husband dealt with the finances, eventually quitting his job as chief executive of the largest public healthcare company in Britain to run Seattle Coffee day to day. Their first child was born in June 1996, three days before their fourth store opened, and Svenson's second pregnancy means that she works three to four days a week.

The coffee business has become a booming industry of the Nineties, according to the Real Coffee Association, but does Svenson ever wonder whether people will get fed up paying high prices for her coffee?

"No, it's an affordable luxury," she says. "And people care for the quality. I think it's like olive oil in supermarkets. Now that people have found a preference from a choice of one or other oil you can't tell them to go back to just one."

#### THE FIRST TASTE

Coffee is said to have been discovered 1,000 years ago by a Yemeni goatherd who ate some of the beans and found he was alert for longer. He took his discovery to monks, who created a drink.

#### ON THE HOUSE

The first coffee house opened in Oxford in 1650, and in London in 1652. They were known as "penny universities" because the coffee cost 1d. The last coffee bar craze was in the 1950s.

#### TALKING SHOP

Lloyd's of London, Commercial Union, and the Stock Exchange all started life as coffee houses, where men gathered to discuss business.

#### REAL THING

Consumption of roast and ground coffee has gone up 110 per cent in the last 15 years compared to only 3-4 per cent for instant brands; 3.6m people in the UK drink between one and three cups of "real" coffee a day.

## Football union chief gets pay package worth £400,000

By Barrie Clement  
Labour Editor

GORDON Taylor must be over the moon when he contemplates his pay as chief executive of the Professional Footballers' Association - and the increase he received last year.

Latest figures show that Mr Taylor received a package worth almost £420,000 - nearly 50 per cent up on the previous year, according to the annual report of the official Certification Officer for trade unions. His rise was 44 per cent higher than the rate of inflation over most of the year and puts him once more at the top of the league table for union leaders' pay.

The 1,500 members of the PFA, the players' trade union, contributed £50 a year each in subscriptions, but the union's income is supplemented by a share of television rights and from its role as agent to some of the players.

Sick as a parrot however, must be the general secretaries of more than 100 unions which make returns to the Certification Officer who got nothing.

And Mr Taylor's pay - which presumably allows him to rub shoulders socially with at least some of his members in the Premier League - compares



Gordon Taylor: Received package worth almost £420,000

favourably with a number of other union "barons".

Apart from those who do it for love, a number of others receive a pittance. There is the leader of the Nelson & District Clothworkers and Warehouse Association on £3,479, his colleague at the Society of Local

Council Clerks, £2,347; the general secretary of the Amalgamated Textile Warehousemen (Padiham Branch) £1,020 and the senior official at the Skipton and District Power-Loom Overlookers' Association who receives £600.

There are, however, some

other "fat cats" in the union movement. Arthur Scargill's pay package as President of the National Union of Mine Workers remains at £65,000 a year. This is particularly generous given that the union has finally acknowledged that its membership has slumped.

Whereas the NUM claimed a roll of 69,000 in 1995, the organisation puts its membership at 10,000 in the latest report. This has not been caused by a new bout of swinging pit closures, but acceptance that retired colliers and miners' widows should not be included in the figures. Some of the coal industry's closest observers contend that the actual fully paid-up membership is nearer 7,000.

The annual report showed that more than a quarter of union general secretaries earned in excess of £40,000; 20 per cent received £20,000-£40,000; 18 per cent got up to £20,000, while the remaining 39 per cent of general secretaries did not receive a salary.

Apart from Mr Taylor the other top earners in the trade union movement were Dr Mae Armstrong of the British Medical Association who received a total package of nearly £109,000, and Paul Snowball, of bank union UNIFI, who was paid nearly £99,000.

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## Even accountants find Milton Keynes boring

By Roger Trapp

EFFORTS to spice up the reputation of Milton Keynes, famous for its grid system of roads and herd of concrete cows, appear to have failed.

Even accountants are turning their noses up at the Buckinghamshire new town. Half of the staff in the regulatory unit of the UK's leading accountancy body are leaving the organisation rather than relocate.

The Institute of Chartered Accountants in England &

Wales has admitted it is struggling to carry out its regulatory duties because nearly half of the staff with responsibilities in this area do not want to move.

Members of the ICA council will hear today that as of the end of last year 20 members of the Practice Regulation Directorate and Joint Monitoring Unit head office staff - 43 per cent of the total - had indicated they did not want to transfer to the town, where the City of London-based organisation has long had a second office.

Paul Griffiths, assistant director of business development for the Commission for the New Towns, said that it was the idea of moving, and not Milton Keynes, that was responsible for the accountants' exodus. "I don't think this is an indictment of Milton Keynes at all. Obviously it's disappointing that they weren't able to come, but they probably would not have wanted to move anywhere."

Mr Griffiths said Milton Keynes was the "fastest-growing area, without a doubt, in the

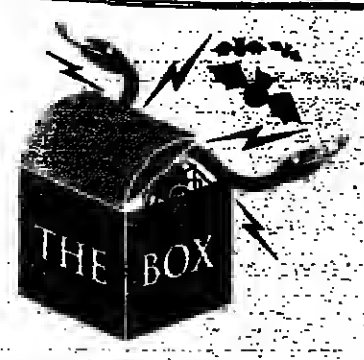
last 20 years." From 1981 to 1995, the town had experienced 69 per cent employment growth.

The proposed relocation is part of a reorganisation, due to be completed soon. In his annual report to council, Keith Woodley, the chairman of the Milton Keynes office, says steps are being taken to minimise the impact, adding that the momentum of regulatory work in the profession has been maintained only with some difficulty because several staff who did not want to move have already left.









### Bugged by gremlins

PANDORA is starting to doubt if we have a snowball's chance in hell of defeating the millennium bug. This is my conclusion after the shocking episode that took place in Whitehall yesterday. The Chancellor of the Duchy of Lancaster, Dr David Clark, was escorting six hacks in the private lift to see Sir Richard Wilson, the Cabinet Secretary. Their mission was to hear the latest plans for dealing with the bug. Unfortunately, the lift broke down. It took 30 minutes to sort out this extremely "low-tech" problem and free the passengers, at which point several of the survivors had been driven mad by the pointless wittering of the *Guardian* journalist David Hendee.

### Bunker mentality

DOES 31 March have a special curse for political journalists? At the same time as yesterday's Whitehall lift emergency, in another hidden corner of the Government's vast underbelly - the bunker in the basement under 10 Downing Street - two television hacks erupted into a verbal firestorm as they waited for the usual 11am briefing from Alastair Campbell. John Sergeant, the BBC's chief political correspondent, made a scathing comment to Adam Boulton, political editor of Sky News, about the Murdoch station's bias. Boulton retorted that he made no secret of his loyal support for the man who paid his wages. The BBC hack chided him about China. This provoked Boulton into saying that he believed the BBC was more of a threat to world democracy than Sky TV. If only Pandora had been there! Any half-reasonable, impartial observer can see that both the BBC and Sky TV are sinister threats to world democracy. The truth is that only Carlton TV offers mankind any hope for the future. (Dear Michael Green, if you'd like to send a cheque to Pandora it's c/o The Box, The Independent, Canary Wharf, London E14 5DL.)

### Mo's shining white knight

AS IF the Northern Irish negotiations weren't tough enough, Mo Mowlam was having to tolerate a constant barrage of obnoxious sexist remarks from several of the Unionist delegates. Finally, a white knight arrived in the form of hard man Billy Hutchinson (pictured), spokesman for the Progressive Unionist Party. He confronted several of the biggest loudmouths in the gents at Stormont and told them - in no uncertain terms - to ease up on the Secretary of State for Northern Ireland. The verbal abuse stopped immediately.

### Taskforce mania

HOW many new "taskforces" has the Prime Minister launched since taking office last spring? According to a Downing Street spokesman, 50 taskforces had been created by the end of February. Last week, Tony Blair met with leaders of British charities and voluntary organisations. The result? Yet another taskforce: this one is called The Prime Minister's Taskforce on the Active Community. Although Downing Street announced that the taskforce's goal was "to bring about lasting change in the relationship between the individual and the community" by providing "a focus" that links public, private and voluntary "sectors", the most striking fact about this dynamic new working group is its total lack of focus. It has no chairman and, as yet, no team members. Indeed the press release invites "suggestions as to taskforce membership". It also says that it is considering establishing a network of "ambassadors" linked to the taskforce and invites suggestions for who these might be. Rather than submit suggestions for membership or "ambassadors", Pandora is proposing the launch of a Prime Minister's Taskforce on Taskforces to bring this extraordinary epidemic of amorphous committees under control.

### Want to earn a Bernie?

WHAT'S a Bernie? A friend of Pandora's has discovered this intriguing new addition to English slang. While speaking with a representative of Guardian Insurance, which is sponsoring an information effort in conjunction with the PGA European Golf Tour, he was told that Guardian Insurance sponsorship was worth "a few Bernies". In fact, a "Bernie" is slang for £1m and derives from Bernie Ecclestone's £1m contribution to the Labour Party. Let's hope it makes him immortal.

Pandora

### DAILY POEM

#### Threat

By Denise Levett

You can live for years next door to a big pine tree, honored to have so venerable a neighbor, even when it sheds needles all over your flowers or wakes you, dropping big cones onto your deck at still of night. Only when, before dawn, one year at the vernal equinox, the wind rises and rises, raising images of cockleshell boats tossed among huge advancing walls of waves, do you become aware that always, under respect, under your faith in the pine tree's beauty, there lies the fear it will crash some day down on your house, on you in your bed, on the fragility of the safe dullness you have almost grown used to.

Our poems today and tomorrow come from *Sands of the Well* (Bloodaxe, £8.95), the final volume completed by Denise Levett, who died last year. Born in Essex in 1923, Denise Levett moved to the United States in 1948, where she published 14 poetry collections and worked as a campaigner for civil rights and against war and nuclear weapons. Bloodaxe also publishes her book of memoirs, *Tesserae*.

# Hospital tells of Lawrence racism

By Kathy Marks

ALLEGATIONS of ingrained racist attitudes in the police force towards black victims of crime were made yesterday at the inquiry into the death of Stephen Lawrence by a senior manager at the hospital where he died.

Mandy Lavin, night services manager at Brook Hospital, in Shooters Hill, south-east London, said that the accident and emergency department dealt with casualties of racially motivated attacks at least once a fortnight during her five years

in the job. She said: "It is true to say that, on occasions, I felt a general sense of unease about the police approach to such attacks in that they tended to assume that they were drug-related and therefore less important than other assaults."

This attitude extended to black victims of crime in general, Miss Lavin said. She gave the example of an Asian woman who was treated at the hospital at around the time of Stephen's death. "She had been subject to threats to kill, had been doused in petrol and had managed to escape before she was ignited,"

she said. "It was not clear whether or not this attack had been perpetrated by a family member or whether it was a racially motivated incident, and my view was that both of these were very serious circumstances. I felt at the time that the police did not view the incident with the same degree of seriousness."

Edmund Lawson, QC, counsel to the inquiry which is examining events surrounding Stephen's death in April 1993, asked Miss Lavin about a statement in which she described the police attitude towards racist at-

tacks as "casual and relaxed". She said that she stood by that phrase.

Stephen, 18, an A-level student, was stabbed to death at a bus stop in Eltham, south-east London. Murder charges laid against five white youths were dropped for lack of evidence, and a private prosecution by the Lawrence family was also unsuccessful.

Under cross-examination by Jeffrey Yearwood, for the Commission for Racial Equality, Miss Lavin said that while racist attacks were commonplace in the hospital's catchment area,

particularly during periods of heightened racial tension, she believed that some black victims did not report them because of a lack of confidence in the police.

She said she had observed police dealing differently with black victims of crime over many years.

"Sometimes it's quite difficult to work out what's different. It hinges on things like attitude and demeanour and approach and manner."

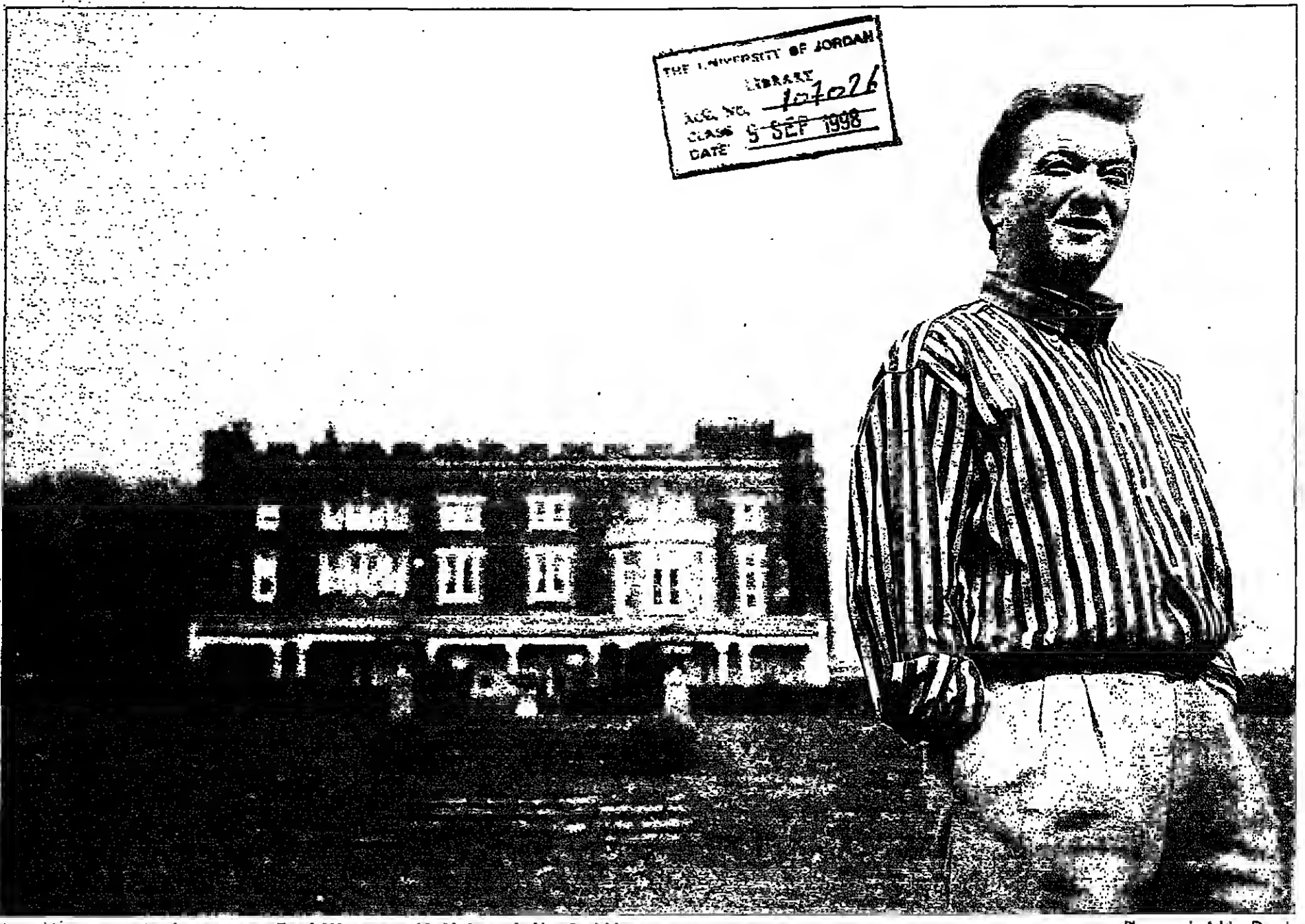
Miss Lavin described to the inquiry how Stephen's parents, Doreen and Neville Lawrence,

were taken to see his body in the hospital's resuscitation room, where they recited prayers and sang a hymn.

"The distress of Mrs Lawrence stays with me to this day," she said. "She was in a state of extreme distress, a state of collapse."

Constable Michael Pincoff, a member of the Territorial Support Group who searched for the murder weapon, told the inquiry that he did not make any notes of conversations he had with local residents on the night.

The inquiry continues today.



Down, but not out: Boxing promoter Frank Warren outside his home in Hertfordshire

Photograph: Adrian Dennis

## 'I won't roll over. I can see off King', says Frank Warren

By Ian Burrell

THE venue was an ornate country mansion once owned by Henry VIII. Cream cakes were offered while tea was poured from an elegant blue china service.

Frank Warren's big fight promotion at Hunsdon House in Hertfordshire yesterday must have been the oddest in his career. For a start, he was one of the combatants.

The other, the candyfloss-haired American promoter Don King with whom Mr Warren is locked in a legal war, was not there. But amid the splendour of his £2m home, Mr Warren came out fighting just the same. "I am more up for this now than I've ever been," he said. "I am not going to roll over and let this happen...I can certainly see off King."

Talking pre-fight talk worthy of

one of his fighters, he added: "I've come from nothing. I've made money. I've lost money. But one thing I'm not. I'm not a quitter. I'm not a loser. I'm a winner."

The dispute emanates from the break-up of the two promoters' business partnership last December.

Mr King won the first battle last week when a judge at a preliminary hearing ruled that Mr Warren had breached his obligation to the partnership.

Mr King claimed the decision meant he had a half share of all Mr Warren's boxers and that it would cost the Briton £12m to buy him out.

But Mr Warren argued yesterday that the decision was not a knock-out but a knock-down, and one that had been unfairly awarded. He said he was confident of overturning the decision on appeal and of ultimately beating his opponent.

At another hearing later this year, Mr Warren will accuse Mr King of doctoring a crucial document. The American argues that Mr Warren agreed the alteration.

After last week's judgment, Mr King criticised Mr Warren's contribution to British boxing, prompting a libel action from his rival.

Yesterday Mr Warren handed out statements of support from his boxers. Prince Naseem Hamed, the WBO World Featherweight champion, said: "Frank is like a second father to me and I trust him as if he were."

Next week, the promoters' lawyers will do battle over claims by Mr Warren that Mr King is withholding documentation relating to television deals involving British fighters.

Mr Warren pointed out that Mr King was also facing legal actions

from former world heavyweight champion Mike Tyson, and was under investigation by the FBI, also in connection with allegations of forged paperwork. But Mr Warren was himself arrested last June as part of an on-going Customs and Excise investigation into alleged VAT fraud.

Looking out over his estate, Mr Warren briefly allowed himself to consider the multi-million pound consequences of defeat. "Somebody's going to end up paying the costs and if it's me, I'll pay them. I'm not skint," he said.

The British boxing press corps, used to plying its trade from blood-spattered seats at ringside, seemed suitably impressed.

Mr King was not. "The plain fact is that Mr Warren has suffered a crushing defeat," said his spokesman.

## Woman tells of abuse by arsenic victim

By Louise Jury

A PAKISTANI woman jailed for life for killing her lover with arsenic yesterday began an appeal against her conviction.

In a case which campaigners claim is a major failure of justice, the Court of Appeal heard that Zoorah Shah had suffered mental and sexual abuse by Mohammed Azam before she killed him in April 1992.

Dozens of protesters chanted demands for Mrs Shah's release outside the court in London, as she told, through an interpreter, why she refused to accept her original trial in December 1993 to tell the full story, and simply pleaded not guilty.

It was alleged at her trial that she murdered Mr Azam, a 47-year-old businessman, and brother of one of Bradford's most prominent Muslim leaders, out of greed so that she could take over his house.

His death was originally attributed to a heart attack, but arsenic was found in his body af-

ter it was exhumed when his wife aired her suspicions.

But the Court of Appeal heard yesterday that Mrs Shah was ashamed of her relationship with Mr Azam and feared revenge against her three grown children if the truth emerged.

And Edward Fitzgerald, QC, for Mrs Shah, said that doctors, who at the time of the trial found no evidence to support a defence of diminished responsibility, did not have her full medical history. He said she had suffered from depression.

Mrs Shah, who is in her mid-40s, wept as she told how she met Mr Azam. She had arrived in England from the conservative area of Mirpur in Pakistan for an arranged marriage as a teenager. But her husband abused and left her and she was befriended by Mr Azam.

Mrs Shah said he helped her to find a new home but then he made it clear he wanted sex in return for his help. "The first day he took me to the house, that was the first day he forced him-

self on me... I had to accept. I had no other options," she said.

The court was told that Mr Azam was a drug dealer who beat Mrs Shah when she returned from a trip to Pakistan without the drugs he was expecting her to carry. "He would hit me and pull my hair," she said. He took her to a graveyard where two of her children who had died as babies were buried, and forced her to have sex there.

The Court of Appeal heard that eventually she put some arsenic in Mr Azam's food. She told the court she wanted to harm him and thought a spoonful would make it impossible for him to have sex with her.

But after he threatened to force himself upon her eldest daughter she put a bigger dose into a sweet and he died.

Mr Azam's brother was a former president of the Bradford Council for Mosques. Mrs Shah said he had refused to help her when she complained of his brother's activities.

The hearing continues.

## Doctor says Government ignored his BSE alarm

By Kate Watson-Smyth

THE FIRST doctor publicly to voice concerns that BSE posed a significant threat to humans said yesterday that he was ignored by the Government.

Tim Holt published an article in the *British Medical Journal* in 1988 when he was junior doctor, saying that the issues raised by the disease were being ignored by a food industry with vested interests, a medical profession with little veterinary knowledge and a government eager to avoid a food scare.

After he and a colleague discovered that some butchers were selling cow brains, "we felt we had a strong enough case to argue that human consumers were at risk", he said.

Giving evidence to the BSE Inquiry, Dr Holt, who is now a GP in Yorkshire, said: "I appeared to be one of a very small number of people prepared to give an opinion and an even smaller number of people actually concerned by the epi-

demic's implications." He received several letters from the public and realised "that the ministry [of agriculture] was less interested in investigating the problem than they ought to have been".

He said he was also concerned that some cattle which did not have symptoms of BSE, but could have been incubating the disease, were entering the human food chain. "The scale of the problem was clearly larger than the public figures indicated and the number of cows incubating BSE was not known, but they were going into the human food products which was a worry."

In the summer of 1988, Dr Holt visited the Central Veterinary Laboratory, in Weybridge, Surrey, and discussed the implications of BSE with Dr William Watson, the then director. "He did not take seriously the possibility that we might end up with a human outbreak of CJD," said Dr Holt. "He said that cattle were a dead-end host like mink. I was

not impressed by his lack of concern generally and chose to disregard this reassurance."

Dr Holt expressed concern that most of the work that was being done on BSE was being carried out by the Ministry of Agriculture which, he felt, was not independent enough of the agricultural industry to decide whether adequate measures were being taken to protect human consumers. "It seemed to me that the focus of research was still on animal disease but my feeling at the time was that more research should be focussed on CJD rather than BSE and scrapie."

Dr Holt said he was frustrated at the ministry's reluctance to invest research money where it was really needed and tried to stimulate debate within medical and veterinary circles.

In 1989, he applied to present a paper at the British Society for the Study of Infection's annual meeting but his "controversial contribution" was declined.

The inquiry continues.



# Recovered memory dismissed by doctors

By Glenda Cooper  
Social Affairs Correspondent

FALSE memories can be planted in patients' minds by psychiatrists and there is no evidence that memories can be "blocked out", a report set up by the Royal College of Psychiatrists has concluded.

The report, published in the *British Journal of Psychiatry* today, says there can be no justification for using drugs, hypnosis or dream interpretation in treatment as they may distort memory or implant a new one.

Over the last six months the report has split the Royal College, provoking such intense anger amongst members that it was not published under the college's name. One member of the working party which wrote the report refused to put his name to it. Another source said the original report (the new report is a revised version) was so "inflammatory" that it read like "the British False Memory Society's newsletter".

The question of whether forgotten memories of childhood sexual abuse can be brought back with the aid of therapy has been bitterly contested since the first cases emerged in the United States a decade ago.

Many accused parents claim their family lives have been destroyed by fantasies planted in their children's minds by unscrupulous therapists. Gary Ramona, a Californian business executive, won £335,000 compensation after his daughter who was undergoing regression therapy accused him of rape.

But those who say they have been abused, such as the American comedienne Roseanne Barr, argue that if it is possible

for war victims to block out horrific events, why should this not be true of sexual abuse?

The authors conclude that a growing body of research indicates that memory is fallible and vulnerable to suggestion, and that no autobiographical memory can be relied on without some external corroboration. However, they accept that the secrecy surrounding child sex abuse may often make such corroboration difficult to obtain.

"No evidence exists for the repression and recovery of verified severely traumatic events," says the report. "There is also striking absence in the literature of well-corroborated cases of such repressed memory through psychotherapy. Given the prevalence of childhood sexual abuse, even if only a small proportion are repressed and only some of them subsequently recovered there should be a significant number of corroborated cases. In fact there is none."

"Memory enhancement" techniques do not enhance memory and there is evidence that they can be "powerful and dangerous methods of persuasion," they say.

"Many of the memories 'recovered' by these measures refer to events in the early months and years of life which fall within the period of infantile amnesia and must be regarded as implausible for that reason," the report adds.

It concludes by saying that psychiatrists have a duty not to cause harm to patients or their families, and any report of child sex abuse should be listened to seriously and sympathetically. It adds that whether or not a patient who seeks help has true or false memories of past sexual abuse they are entitled to sympathetic and competent care.

## Bogus bishop jailed for sex attacks

A BOGUS bishop who indulged in "foul perversions" with two 14-year-old boys was jailed for 15 years at the Old Bailey yesterday. Roger Gleaves, 65, who called himself the Bishop of Medway, was "a more than ordinary danger to children", which was why a long sentence was required, said Judge Giles Forrester.

Richard Becker, 58, another paedophile, who was HIV positive when he attacked one of the boys also abused by Gleaves, was jailed for six years in February.

Sentencing Gleaves yesterday, the judge said: "I cannot tell what harm or damage you may have done to either or both of these boys. But I am sure each was deliberately targeted by you." He said both boys were particularly vulnerable, one with learning difficulties, the

other with a psychiatric condition. The judge said Gleaves deliberately set out to gain the confidence of the boys and their families so that he was trusted by them.

The court heard Gleaves had previous convictions for offences against boys. The judge said: "I have to consider the question of public safety and in particular the safety of children. That is why the sentence must be a long one."

Gleaves, of Northumberland Park, Tottenham, north London, was found guilty of rape, attempted rape, incitement of one boy to rape another, and three counts of indecent assault. He was cleared of a further rape charge. The offences took place in the final six months of 1996 and in the following January, when the boys were 14.



Medieval survival: Philip Asle, a minstrel dressed in Tudor costume, playing the bagpipes yesterday in the great hall at Ightham Mote, in Kent, which reopens today after a £3.8m conservation project by the National Trust. Three extra principal rooms at the 650-year-old manor house are now on view to the public. Photograph: Tom Pilston

## Rally driver denies trying to 'get' death-crash victims

A RALLY driver accused of killing a young couple by shunting them into the path of an oncoming car told police he had never meant to hurt them, an Old Bailey court heard yesterday. "The whole thing was a complete nightmare - I am full of remorse, obviously," Jason Humble, 35, told officers after his arrest. He admitted in interviews that he was hostile and annoyed with the driver of a Fiesta who was ahead of him on a dual carriageway and would not let him get past.

But he maintained: "In no way did I ram him. I never meant to hurt them at all - I never even knew them." Mr Humble, from Farnborough, Hants, has denied the manslaughter of Toby Exley, 22, and his girlfriend Karen Martin, 20, on 6 October. He also denies causing their death by dangerous driving. He allegedly nudged the Fiesta three times in the rear, causing it to crash through the central reservation of the A316 in Hanworth, west London.

He told police there was only a "very minute possibility" he could have touched the car at all. Mr Humble, a rally competitor who described himself as "the best driver ever," said Mr Exley was "obviously trying to bold me up" by driving slowly in the outside lane. "I just became frustrated with him - why wouldn't he let me past? There was no sense in it." Mr Humble said he thought the Fiesta driver was "just a wind-up person. It did annoy me but I did not ram him or anything. I sat behind him at a safe distance and flashed him, but he ignored me. I came up fairly close. I just wanted him to see I was there. Then he slammed his brakes on - the brake lights went on." The Fiesta had roared round and



Jason Humble (above), who is on trial at the Old Bailey for the deaths of Toby Exley and Karen Martin (below)



gone through the reservation. Mr Humble allegedly told officers when he was arrested two weeks later, "I was just stunned... I initially felt like stopping - the next thing I was miles up the motorway... I knew it was not good, because he went through the thing - you do not

do that without having injuries, do you?... I did not feel responsible, but if I had not been there, it would not have happened... Two or three things just flashed through my mind. I did not know how to deal with it. I just felt like a spare prick at a wedding and just carried on driving."

Mr Humble denied he deliberately avoided contact with police and was running away or hiding. He said he went home. "I probably went to bed and cried." The first he knew of what had happened was in the local paper the following Thursday. "It was terrible." He had not thought police would believe him. "What everyone was saying was I was a murderer."

Mr Humble said he was "pissed off" when he first encountered the Fiesta as the driver was going 35-to-40mph in front of him. "But I dropped back and let him get away from me, as I hoped he would turn left or right and he would get out of my life..."

Mr Humble denied police suggestions there was any element of malice - making him think he would "get that driver". "Absolutely not," Mr Humble replied in an interview.

Stephen Patterson, a police accident investigator, said the Fiesta was reduced to a "banana-type shape", in width about a third of its original size. "No defects found on the car which could have explained what happened."

## Suicide schoolboy left note saying he was bullied

POLICE are to interview the classmates of Darren Steele, 15, who was found dead in his bedroom last Saturday after leaving a note saying that he was being bullied.

A police spokesman said yesterday: "Discovered at the scene was a handwritten note on which he refers to instances of bullying by his peers." He said Darren, of Burton upon Trent, Staffordshire, was a pupil at de Ferrers High School, Burton, where police now plan to interview pupils. "At this stage the police can say that there are no suspicious circumstances surrounding the death. The coroner has been informed and the post mortem results are being awaited. A detailed investigation has been commenced under the supervision of a senior divisional detective officer. We have liaised closely with the head teacher at the school and have the full support and cooperation of the staff and pupils, some of whom may need to be interviewed in the presence of their parents."

Superintendent Handel Phillips, of Staffordshire police, said a full report would be sent to the coroner after investigation.

## Scottish graduates up 18%

FIGURES published yesterday showed an 18 per cent increase in the number of people graduating from higher education courses in Scotland. But although female graduates outnumbered males according to the latest report, the men edged ahead gaining more first-class honours degrees.

The Scottish Office bulletin, covering statistics for 1996 and contrasting them with 1995, reveals that 1 per cent more men got top honours with 6 per cent of women scoring a first.

Fifty-three per cent of women and 47 per cent of men qualified from higher education in 1996, and more women successfully completed postgraduate and diploma courses. Almost 84 per cent of graduates and diplomats found jobs or went on to further study. Most chose to remain in Scotland, with 70 per cent finding permanent employment north of the border. The most common type of work was in science and engineering, closely followed by the social services.

## Trident protesters defiant

ANTI-nuclear campaigners were last night digging in to resist moves to evict them after 14 years in a make-shift camp outside a top-secret Royal Navy nuclear base. Officials from Argyll and Bute are set to go to court tomorrow for permission to evict Faslane Peace Camp forcibly from outside Clyde Submarine Base, home of Britain's Trident nuclear deterrent.

But after weeks of building elaborate defences, including tunnels and tree houses, the campaigners remain defiant. "This really is our last defence," said a spokesman for the camp, which has occupied the site for more than 14 years. "We have been here for a long time and all of a sudden, just because of a change in council, we are being threatened with eviction. We have put other defences in place... any moves to force us off this site will not be easy."

## Language exams under threat

EXAM watchdogs moved yesterday to safeguard A-levels in Hebrew and a string of other minority languages, writes Ben Russell. The Qualifications and Curriculum Authority announced a deal to offer A-levels in various languages, including Arabic, Bengali, Japanese, Polish and Turkish. The exams had been threatened because of the low take-up among students. Dr Nick Tate, chief executive of the QCA, said: "Although the numbers are small it is the mark of a civilised society that it seeks to protect the interests of minority groups keen to maintain their own traditions within society."

## Murder trial jury sent home

THE jury in the trial of a soldier charged with murder was sent home for the night after failing to reach a verdict following a day of deliberations at Bristol Crown Court yesterday. Miles Evans, a 24-year-old Army private, denies murdering Zoe Evans, his nine-year-old step-daughter, at Warminster, Wiltshire, in January last year. The jury of eight women and four men will return to court this morning - the 13th day of the trial - to consider its verdict.

## Roof goes up on the Dome

WORK began yesterday to put the Teflon-coated roof over the top of the Millennium Dome, in east London. When finished, the 100,000 square-metre canopy suspended from twelve 100m-high steel masts will be the largest roof in the world.

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# West End diners at risk of food poisoning

By Rosa Prince

TOURISTS and diners at restaurants in central London risk food poisoning each time they eat because Westminster Council's food safety inspection system is failing.

A spokesman also admitted misleading reports had been filed about the number of inspections made but denied this was to cover up the serious problems in Westminster's Environmental Health Department.

An internal council report, leaked to Radio Four's *Today* programme, showed as many as 3,000 food outlets across London's most-visited borough had not been inspected. Restaurants and cafes were inadequately checked for traces of *E coli* and legionnaires' disease, the council admitted. Hospital canteens, may also have been among those missed off the inspection list.

Karen Buck, MP for Regent's Park and Kensington North, said: "It is extremely worrying these food outlets are not being inspected, especially in the light of last year's tragic events in Scotland and the deaths there from *E coli*. Let us hope those premises that haven't been inspected are in fact safe."

The council has been accused of failing in its statutory duty under Section 40 of the

Food Safety Act 1990 to inspect premises where food is supplied to the public. Westminster is also alleged to have misled the Audit Commission about the situation by filing inaccurate performance indicators to cover up the problem.

The Commission published figures last week showing Westminster, with a 100-per-cent inspection record, one of only two London boroughs to do so. In fact, Tony Lear, director of

Environment and Planning at Westminster, admitted at least 1,700 food outlets had slipped through the council's net and had not been inspected. At least 900 of these had still not been visited and the backlog is not expected to be cleared before summer.

Mr Lear said the problem arose as the department's data base had not been kept up to date. He said: "Clearly the management process failed.

People weren't recording information properly and we had an IT system that wasn't particularly adequate."

"We recognised in July 1993 that there was a problem. We thought there were 3,500 food premises in Westminster; in fact we underestimated by up to 3,000."

The internal audit of the council's Environmental Health Department revealed files were out of date and inaccurate.

Staff were demotivated and incapable of collecting food samples correctly. One establishment had been reported to the council 73 times by members of the public, but was still not inspected. Tessa Jowell, Minister for Public Health, said: "I shall be... insisting they discharge their duty to protect the health of their residents and the thousands of people who visit Westminster."

A spokesman for the Audit

Commission said an investigation was being launched to discover if incorrect figures had been filed in its annual publication of local authority performance indicators.

He said: "In providing information to publish, the process is that we rely on the honesty of the authority. It has never been the case in the past that we have been fed information that is incorrect. We are on new ground here."



Pilgrim's progress: Josie Kieran in training for her attempt to climb Everest, which, she says, will be assisted by her Christian faith

Photograph: Tom Conaachy

## University for industry to boost skills

By Ben Russell  
Education Correspondent

EDUCATION and training will be revolutionised by plans to offer training to 400,000 people within five years through the new University for Industry, ministers promised yesterday.

A prospectus for the £50m venture said it would be working with tens of thousands of companies within two years of its launch in 2000. Ministers want the university to help people take training courses during their lunch breaks, or in libraries and shopping centres using computer technology.

Much work will be in raising basic reading and maths skills and providing computer training to small and medium firms.

David Blunkett, the Education Secretary, said: "Our vision is that the University for Industry will revolutionise the way people learn. It will do so by harnessing a range of technologies, from the telephone and television to the Internet. Like the Open University, it will become an integral part of our national life."

The UFI will not be a university in the conventional sense, but will act to raise the profile of vocational education and training among business

and individuals. It will act as a clearing house for training courses, putting employers and people in touch with colleges or new hi-tech learning centres.

The university will also monitor skill shortages and commission courses to fill gaps, as well as helping to develop educational software for use over the Internet. Similar work is already under way in hundreds of colleges. But the education minister Baroness Blackstone said a new national body was needed to drive down costs and stimulate demand for training. "It will ensure that British industry will be able to compete with the best in the world; we see the University for Industry leading the learning revolution."

The university will focus on four priorities - literacy and numeracy skills; information and communications technologies; management of small and medium-sized businesses; and specific industrial sectors.

Targets announced yesterday include bringing courses to 35,000 retail and distribution firms, 700 businesses in the car industry and 500 hi-tech multimedia firms.

Lord Sainsbury, who will chair the university board, said it was essential to raise skill levels across the economy.

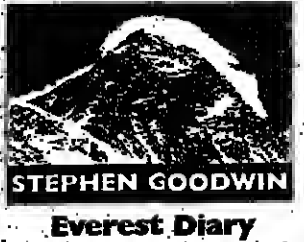
## A gentle evangelist takes Irish dream to the top of the world

JOSIE KIERAN is searching for words to describe the strength her Christian faith will give her in trying to climb Everest, without at the same time sounding pious. "Prayer is an important part of my life and my rosary beads will give me special encouragement on the mountain."

Among climbers, as in society as a whole, to talk with such openness of one's spirituality is unusual to say the least. But Josie does so with a gentle ease and without any sense of evangelising. When she says she believes God will be with her every step of the way on Everest, it is with an uncomplicated faith.

Every step of Josie's way will also be followed by the people of Drogheda and Dundalk in Ireland, close to the border with the North. The 44-year-old smiling woman was born in the former and has worked as a nurse in the latter for 21 years. Training for Everest has included an early-morning three-mile walk with a rucksack loaded with sand to go on duty at Louth County Hospital.

Josie talked of her dream of becoming the first Irish woman to the top of the world as our Himalayan Kingdom's Everest expedition killed time in the village of Khumjung, at least another week away from Everest base camp. Half a metre of snow fell overnight, to the surprise of local Sherpas, and stretches of our route



STEPHEN GOODWIN  
Everest Diary

Khumjung, Nepal

will have become threatened by avalanche.

In such conditions, it didn't take much discussion to decide to stay put. The slower altitude acclimatisation will be useful and it is also a good opportunity to find out a bit more about one's companions on the trip.

She also speaks fervently of her hope that youngsters in Ireland will be inspired to fulfil their dreams

Josie seemed an interesting first subject. "I'm just an ordinary woman doing something that is extraordinary," she says. To the job description, wife of a farmer, mother of a 17-year-old daughter studying for her school-leaving certificate and full-time nurse, she adds "serious mountaineer". The seeds were sown when she was the same age as her daughter Elaine and went on a walk up Mount Keadeen in

Co Wicklow with the local civil-defence group.

"I got a plaque and a certificate for being the first girl up the mountain and I couldn't believe it. I was so excited. I thought I had stood on the cornerstone of Mount Everest. It set me on the way to where I am today and that's a fact."

Everest lay dormant in her thoughts until about 10 years ago, when she returned to the hills, first the walk up Donard in the north of Ireland, then 4,000-metre peaks in the Alps, often on a shoe-string of a budget. Her ascent and descent of the Matterhorn was all the more rapid because she could not afford to pay her

flag to fly at the summit. She seems overawed by the attention lavished on her by her country's leaders. President Mary McAleese presented her with the national flag and minister of state Michael Brennan invited her to the government buildings in Dublin to hand over £1,000 of climbing equipment. Sealing her celebrity status, she appeared on Ireland's premier chat programme, the *Gay Byrne Show*.

"It's a very special privilege for me to be given the flag by the First Lady in Ireland. Wouldn't it be nice if when I was on Everest with the flag something could happen in the parallel dream of peace in the north of Ireland? People are starving for it." She also speaks fervently of her hope that youngsters in Ireland will be inspired to take their own first steps to fulfilling their dreams and turn away from drugs or alcohol.

Himalayan adventures can be cynical about their sponsors once on their mountain. But not Josie. On a nurse's salary she could never have raised the £30,000 cost of a commercial expedition without hefty support and she is grateful to Aer Rianta of Dublin airport, Fyffes bananas of Dundalk and her builder brothers. Schools have also held bring-and-buy sales.

And as she nears the mountain, Josie also knows she will have their prayers for a safe return.

Though climbing Everest is very much a personal ambition for Josie, she carries an Irish

guide for a second day. She reached over 7,000m on Cho Oyu in the Himalayas, reached the summit of Huascarán, the second-highest peak in South America, and the summit of Mt McKinley, the highest in North America. The party was trapped on McKinley for 26 days with rations almost exhausted.

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Though climbing Everest is very much a personal ambition for Josie, she carries an Irish

## Warning on drugs for the mentally ill

DOCTORS were yesterday urged not to prescribe drug cocktails to control mentally ill patients who may become violent, writes Glenda Cooper.

The Royal College of Psychiatrists said many doctors are administering high doses of drugs to calm down aggressive patients, which some argue may contribute to sudden deaths.

The college's report follows widespread concern about the increasing numbers of violent attacks on NHS staff and patients in psychiatric hospitals and casualty departments.

"Violence in the NHS has become much more common over the past ten years," said Dr Robert Kendell, chairman of the steering group.

Overcrowding of psychiatric wards by up to 120 per cent, the threefold increase in the number of people detained compulsorily in psychiatric hospitals since 1980 - from 8,000 a year to 24,000 in England - nursing shortages and widespread drug and alcohol abuse have been blamed for the increase in violence in the NHS over the last

30 years. The college yesterday published new guidelines to minimise the chance of violence in psychiatric hospitals. It recommended "well-planned" wards with space, comfort, privacy and safety which are staffed with adequate numbers of properly trained nurses and good communication between staff and patients.

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Zoe Ball: Her Radio 1 show has been ignored by the judges

## Evans wins breakfast battle of hype with nomination for radio Oscar

By Paul McCann  
Media Correspondent

CHRIS EVANS has been handed a new victory in his battle with Radio 1's breakfast show. The ginger DJ's Virgin Radio show has been nominated in the breakfast category in the radio world's Oscars - the Sony Radio Awards - but Zoe Ball and Kevin Greening's Radio 1 show has been ignored by the judges.

Evans has already managed to augment his breakfast show audience faster than his BBC rivals, although the high-profile battle of hype that started when both shows began on the same day has brought in more listeners to both programmes.

Chris Evans's show is up against the veteran broadcaster Terry Wogan, who is nominated for his *Wake up to Wogan* Radio 2 programme, and the London dance station Kiss 100 FM's Steve Jackson's *Morning*

*Glory* show. Two years ago, when Chris Evans was at Radio 1, he angrily refused to collect his Sony award for British broadcaster of the year because he was beaten to the breakfast show prize by Virgin Radio's Russ 'n' Jojo.

The BBC would only say that it had "no pre-ordained right" to a Sony nomination for the breakfast show. The corporation still dominates the awards, with 58 nominations across the 26 categories and Radio 1 itself gets six nominations.

These include the highly prestigious DJ of the year nomination for Chris Moyles, who only received his own show yesterday.

Until now he has been deputising on the breakfast show and the early-morning show, but has now been given his own programme on a Saturday morning.

Moyles is up against fellow Radio 1 DJ Jo Whitley and

Mike Edgar of BBC Radio Ulster. The innovative and controversial broadcaster Chris Morris has received a nomination in the comedy category for his early-hours programme *Blue Jam*, which began a new series last week.

Morris is up against the local radio station Magic 1548's *Hold Your Plums* Christmas Special and Radio 4's *On the Town* with the League of Gentlemen.

Other notable nominations include the Radio 5 Live broadcaster Nicky Campbell, who is up for an award in the *Talk/News* category after making the unusual transition from music DJ to current affairs broadcaster.

Campbell's show is up against the comedian Mark Lamarr's talk programme on BBC GLR and the Stephen Rhodes Show on BBC Three Counties Radio.

The awards will be presented in London on 7 May.



Chris Evans: Has augmented audience faster than his BBC rivals

## Clinic shuts its doors to sex-abuse priests

By Clare Garner

A REHABILITATION clinic where the Roman Catholic Church sends alcoholic, gay and paedophilic clergyman has been put under a Vatican review. The clinic has admitted that it can no longer cope with priests who have psycho-sexual problems.

This month, the Archbishop of Chicago, Cardinal Francis George, is to meet staff at Our Lady of Victory, which is run by an American religious order called the Servants of the Paraclete, to discuss its future.

The clinic, in Brownhill, Gloucestershire, and known by clergy simply as "Stroud", purports to offer "therapy in a spiritual context". Residents stay there for between a year and 18 months, during which time they are forced to face up to their failings. Until now, it has been the Roman Catholic Church's

answer to dealing with errant priests.

It is because 1997 was their 50th anniversary, he added. Rumours that Stroud is closing because of improper sexual relationships between staff and clients were emphatically rejected by Fr Hoare. "Those are the rumours simply because we are the only treatment centre that is still open," he said.

"We do have our critics, our enemies and disaffected former graduates, and there's a lot of anti-Catholic feeling out there. It's not fashionable or profitable to be treating wounded clergy."

The Right Rev Christopher Budd, the bishop of the Roman Catholic diocese of Portsmouth who is responsible for handling the problem of clerical sexual abuse in England and Wales, said last week that he believed Our Lady of Victory was to close. When the prospect of closure was put to him, he said: "Yes, yes. That's my understanding from one or two sources. Obviously nothing has been announced officially from Stroud."

Fr Hoare said that the centre had decided to stop treating priests with problems of sexual identity, homosexual or heterosexual relationships and paedophilia "because of the sensationalism surrounding such issues". He said: "We've had people like yourselves ensconced outside our centre... knocking at our door, interrupting staff. It's been horrendous... If people are in your parking lot, how can you treat people?"

When asked if media hindrance was the only reason for the move, Fr Hoare admitted that Stroud did not have the specialised skills to deal with "high risk cases" and that they had come to the conclusion that treatment to a secular institution would be more effective.

Servants of the Paraclete was established at Jemez Springs, New Mexico, in 1947, by Fr Gerald Fitzgerald. In the Sixties the order opened its only English house, at Brownhill, which is now understood to have about 30 residents.

Our Lady of Victory hit the headlines in 1993 when Fr Sean Seddon, a 38-year-old priest, was sent there after a six-year affair with a teacher. On learning that his lover had lost their baby, he committed suicide by throwing himself under a train.

### The move is blamed on the sensationalism of such issues

answer to dealing with errant priests.

A statement from Fr Liam Hoare, the senior appointment in the order, who has come over from the United States, said that the archbishop had been appointed "to assist us refocus our priorities in ministry and to define future directions".

In the past year, three of the eleven "core" clinical staff at Our Lady of Victory, including the recently appointed clinical director, Fr John Murphy, have left. The reasons given by Fr Hoare are stress, end of contract and illness. For instance, "John Murphy left on December 1st because of the stress inherent in holding two positions - that of clinical director of the treatment centre and his other work outside the centre."

While the Vatican intervention is understood to be an "investigation" within Catholic circles, Fr Hoare yesterday insisted: "It is not an investigation. It is a visitation, which is a clerical term." The Servants of the Paraclete requested the vis-

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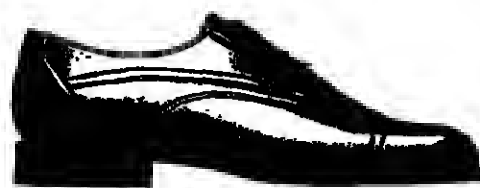
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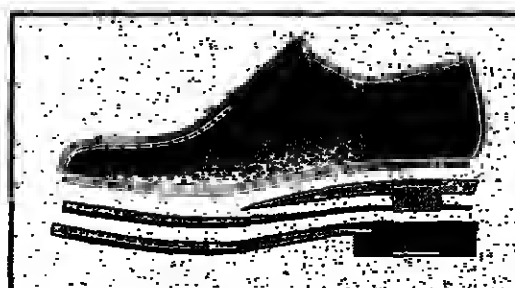
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# Artists' court plea tests limits of decency

By David Osborne  
in New York

THEY did not know it, but the nine justices of the US Supreme Court were spending part of yesterday sitting for their portraits. Nor did they know what the artist had in mind for them in their robes, but cross-dressed. Clarence Thomas in a skirt. Interesting.

The doodler is the perfor-

mance artist, Karen Finley, which is why she was at the Supreme Court yesterday. The case was *Finley v Justice Department* and it goes back to a 1990 show entitled *We Keep Our Victims Ready*.

The centrepiece involved Ms Finley, now 41, appearing naked and smearing her body with chocolate sauce. Satisfying the need of women to make themselves attractive, she stuck

red sweets on her nipples and sprinkled her body with bean shoots to denote sperm. That was when trouble began for Ms Finley and three other artists.

Victims coincided with a debate about government funding for art deemed by some to be obscene that was first sparked in 1989 by exhibits by the homoerotic photographer Robert Mapplethorpe, and Andres Serrano, the man behind *Piss Christ*, which featured urine

and a crucifix. Ms Finley and her peers became known as the NEA Four, when the National Endowment of the Arts withheld promised funds. It was reluctantly obeying a law passed in the wake of the Mapplethorpe-Serrano rumpus stipulating that it consider "general standards of decency" before awarding grants to artists.

The NEA Four filed suit, claiming abuse of freedom of speech by the government.

They won - twice. Now the Clinton administration is appealing against the rulings at the Supreme Court. Yesterday's hearings lasted an hour: a decision is expected later this year.

The issue remains clear-cut and the debate surrounding it is as ferocious as in 1994. Does the government have the constitutional right to withhold funding because some art may offend some people? "They

are not saying they have a right to funding," David Coke, Ms Finley's lawyer, said. "But they are saying they have a right to be considered fairly for a federal grant and not disadvantaged because of the viewpoints they express with their art".

It is serious stuff but Ms Finley, who lives north of New York City, is having fun with it. We know this because of her current project, best described as 1-800-ALL-KAREN. Dial this

number and, for \$1.25 a minute, you will hear a phone "performance" by Ms Finley which she changes every day. Yesterday, it was about her court appearance. Performance seems a stretch. What she offered was a description of what she would wear in court - "blue four-tiger Moschino pants" - and details of her plan to spend five minutes each on the cross-dressing portraits. She does give time though to assaulting Jesse

Helms, the senator who has led the charge against funding for artists he considers obscene. "Yesterday I had a realisation. Jesse Helms sexually harassed me on my job. He enticed my work, he harassed me and I realised I'm in a state of victimhood and I have been ashamed and humiliated", Mr Helms was not in court yesterday. So no dress and earrings for him. Bleeding for their art. Eye, pages 4 and 5

## US says peace process dead in the water

By Patrick Cockburn  
in Jerusalem

AT THE best of times Dennis Ross, the United States peace envoy, looks like a spaniel down on its luck, but after the failure of his latest four-day effort to breathe life into the peace process between Israel and the Palestinians he left Israel looking particularly dejected.

He has reason to. James Rubin, the US State Department spokesman in Washington, admitted that the peace process was in "dire straits" and listed the topics on which there was no progress. The most important of these is the Israeli withdrawal from most of the West Bank, as envisaged by the Oslo

accords, with Israel offering for the present stage of the pull-back just 9 per cent, the US insisting on 13.1 per cent and the Palestinians a long way from the 30 per cent they originally expected to get.

Both sides are taking "unilateral steps" (to pre-empt final-status negotiations, Mr Rubin said). The most significant of these is the expansion of Israeli settlements on the West Bank. The main road from Tel Aviv to the Jordan Valley is being broadened daily into a trunk road through the West Bank. Israel's West Bank civil administration has just rejected Palestinian opposition to a plan to quintuple the size of Ma'aleh Adumim, a Jewish settlement just to the east of Jerusalem, to make it slightly larger in area than Tel Aviv.

The State Department also lamented the lack of progress on providing Gaza, the seat of the mini-state of Yasser Arafat, the Palestinian leader, with an airport, seaport and industrial park. The Israelis say the Palestinians have not done all they could to provide security for Israel. Mr Rubin said Israel was not holding talks with Syria or Lebanon and there was growing Middle East "disillusionment" about what peace would bring. Israeli and Palestinian lead-



A Palestinian demonstrator wounded during clashes with Israeli soldiers in Salfit, West Bank, yesterday. Photograph: AFP

ers are now waiting to see if there will be a confrontation between Benjamin Netanyahu, the Israeli Prime Minister, and US President Bill Clinton. The US could unveil its own peace proposals or denounce Mr Netanyahu's intransigence. The latter appears to think that he can face down anything Mr Clinton throws at him.

Mr Netanyahu is in a

stronger political position domestically than he was last year, with less division within his cabinet and an ineffective Labour opposition. Mr Arafat wants to make friends in Washington, cultivate the European Union and seek greater support from the Arab states; so far this has produced few dividends. Also favouring Mr Netanyahu is the lack of violence.

Since he opened a tunnel in Jerusalem under the Muslim quarter in Jerusalem in 1996, which produced widespread fighting and more than 60 dead, fewer Israelis and Palestinians are dying than when enthusiasm for Oslo was at its height. Many Israeli voters are concluding that Mr Netanyahu can deliver the goods in a way that Yitzhak Rabin and Shimon Peres, his

Labour predecessors, did not.

This may not last. On Sunday a large car bomb blew up in Ramallah, a Palestinian enclave north of Jerusalem, killing the driver who was probably preparing to attack an Israeli target. This may have been in retaliation for the three Palestinians shot dead earlier last month at a checkpoint outside Hebron. Leading article, page 18

## Pay-for-play radio turns tables on record companies

By Mary Dejevsky  
in Washington

INSTEAD of complaining about the money they have to pay to record companies for the right to play hit records, impoverished British stations could try following an American example.

Since January a radio station in Portland, Oregon, in the north-west of the United States, has been paid to play certain records - by the record company.

Under the initial deal, a Los Angeles record company, Flip/Interscope, paid the rock music station KUFO-FM the sum of \$5,000 (£3,100) to have one of their records - *Counterfeit*, by a heavy-metal band called Limp Bizkit - played 50 times on air over five weeks.

The radio station had been reluctant to play the record before, regarding it as a little "too hard" for its audience. Now more pay-for-play deals are in the pipeline, and some of the biggest radio-station owners in the US - CBS radio and Jacor Communications - are reported to be interested.

The practice is controversial because it recalls earlier scandals where disc jockeys admitted taking money from record companies in return for

playing certain artists and certain tracks. The difference is that in these deals it is the radio stations that benefit and the deal is announced on air, much like a paid commercial. For disc-jockeys and presenters on US commercial stations, who are required to read paid-for advertisements in between records, and even interspersed between news items, the new arrangements will be less of an imposition than they would be in Britain.

Critics of pay-for-play deals say that the opportunities for abuse are too great and claim that new bands could find it even harder to get their records on air than they do at present if radio stations demand a premium for broadcasting unknowns. Some record labels and fringe groups contend, however, that paying for broadcast time could be the only way that less popular bands can get on the air at all.

This being America, the clinching argument for radio stations tempted by pay-for-play is that the market will decide. Ultimately, they say, if radio stations "sell" too many slots for records that their listeners do not want to hear, people will switch off. The station will lose advertising and risk going out of business.



Dennis Ross: Hangdog expression is justified.

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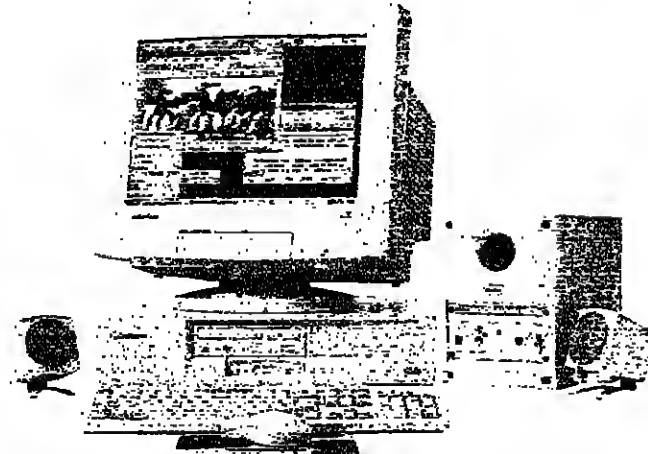
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Go with the flow: One of the faithful in the Ganges at the Kumbh Mela festival, when the river supposedly becomes nectar. Photograph: Nicola Kurtz

## Hindu holy men on warpath at Ganges festival

ON THE DAY India's new Hindu nationalist-led government was confirmed in power in Delhi, the most fanatical and extreme of all Hindus — think Socialist Workers Party or Communist Party of Great Britain (Marxist-Leninist) as compared to the British Labour Party — were attacking one another with swords and sticks in one of the holiest cities in the country.

On Saturday evening Atal Behari Vajpayee's government won a confidence motion by 13 votes. Several hours earlier, oiled, ash-covered sadhus, some brandishing cutlasses, others galloping on horseback, drove crowds of panicking pil-

**Peter Popham**  
in Hardwar sees a dangerous mix of the sacred and the profane

grims from the streets of Hardwar, northern India, and settled their differences in hand-to-hand fighting. At least 50 people were injured. The occasion was the Kumbh Mela, the most important and popular festival in Hinduism and claimed to be the largest gathering of humanity on earth: when Jupiter enters Aquarius, the Sun enters Aries and the waters of the Ganges at Hardwar are temporarily transformed; it is believed, into nectar.

This only happens once every 12 years, and when it does, millions of Hindus converge on the city (normal population 200,000). By the time this year's event reaches its climax on 13 April, it is expected 10 million will have plunged into the Ganges to wash away their sins.

The focus of activity is Har-ki-Pauri, "Vishnu's Footprint", the most upriver of the bathing places, or ghats, which during the fair lives up to Geoffrey Moorhouse's description of it as a combination of Blackpool and Lourdes. Dozens of temples, gandy with oen paint, sparkle in the sun. Yurons of pilgrims, exhausted by journeys that may have taken weeks, plod across the bridges to the ghat and lower themselves gratefully into the bracing, fast-flowing water.

The scene is medieval: vast crowds, bags and bundles on their heads, wrapped in blankets against the morning chill, trudging along the river; *sanyasin* (holy men) in saffron or pink robes and turbans, bearing staffs or tridents; the vast encampments with thousands of campfires; the main street jostling with pilgrims, fragrant with incense, betel nut, *bidi*s and spices. The festival has been held here since the third century BC.

But there are modern stresses, too. Recent fairs have been dogged by tragedy. In 1954 at the Kumbh Mela in Allahabad — another holy city — hundreds of pilgrims were crushed to death. At Hardwar's last Kumbh Mela in 1986, many more died in another stampede. To avert disaster, the police are ubiquitous, and have banned much of the pomp and colour — caparisoned elephants and camels processing through the streets, for example, which were blamed for the mayhem at past events.

It remains quite an occasion, all the same. All night the streets rang with shouting and singing and laughter and chanting as pilgrims poured in. In the

morning they lined up for the main event of the fair, the procession through the town and along the river to Har-ki-pauri. The gurus of each sect, in saffron robes, were in throes of decorated carts surrounded by attendants and sheltered by golden parasols. In between, raucous and anarchic wedding bands, done up in white suits with mauve or crimson caps and puttees, blasted away on silver trumpets and horns and drums.

This was from 9am, as the procession got itself into order. Suddenly there was a weird nilulation, and down the street came hundreds of naked *sadhus*, their hair long and matted, bodies caked with the ash of cow dung, crowding together like the tribesmen in *Apocalypse Now*, pressing madly through the streets towards the river.

As the hottest figures in Hinduism, they are central to the festival: this is their big day. Organised (despite their disorganised appearance) into rival *akhayas* or monastic orders, the *sadhus* are the wild men of Hindu spirituality: "extremely uncontrollable" as one bystander put it with feeling. Their regime of cold baths, meditation, dope-smoking, wrestling and utter frugality combines un-

**Ash-covered sadhus, some with cutlasses, some on horses, settled their differences**

attractively with aggressive narcissism and an "irreligious" degree of pride. Two of the sects, the Juna and the Niranjan, have had a long dispute over which should be first into the Ganges during the festival. On Saturday their hostility erupted in street fighting, as naked *sadhus* duelled with cutlasses, belaboured each other with sticks, or threw stones. *Sadhus* tossed policemen into the river, vengeful police beat up pilgrims and foreign tourists, and it was five hours before order was restored. Next day the city was still tense.

Townpeople were shocked by this unprecedented violence. A student suggested a political explanation: "Now the Hindu nationalists are in power at the centre, the *sadhus* feel more self-assertive. But at the same time, the BJP [the Hindu nationalist party] has distanced itself from Hindu extremists, so they feel frustrated and confused."

Think of the mood of the hard left in Britain when a Labour government gets in, and you may have some idea how they feel.

## London debut for China's new chief

By Rupert Cornwell

ZHU RONGJI arrived in Britain yesterday for his eagerly awaited debut on the international stage as China's Prime Minister, on a visit which both London and Peking insist will inaugurate a post-Hong Kong "new phase" in their relations.

From Heathrow, Mr Zhu went straight to Buckingham Palace for an audience with the Queen. Today he has a packed schedule in London, including a visit to the Bank of England, and holding talks with the Prime Minister at Downing Street tomorrow morning, before a European Union/China summit. Then follows the Asia-Europe summit, at which he will also be both star attraction and most important single participant, before leaving for an official visit to France.

British officials are delighted that the first forty of Mr Zhu, a fluent English-speaker, should be to London. It recalls the West's first close look at another Communist leader pledged to

reform, 14 years ago. Then, Margaret Thatcher proclaimed Mikhail Gorbachev a "man we can do business with." The hope is the same with Mr Zhu, whose stay was a "major event," the Foreign Secretary, Robin Cook, said yesterday.

Human rights and China's disregard on occasion for world trade rules will, as always, be spectres at the feast. But the EU's refusal to join the UN Human Rights Commission in criticising China, has largely defused the first controversy, while Mr Zhu has earned the West's praise and gratitude for promising not to devalue the yuan, a step which might have rendered Asia's financial crisis uncontrollable.

Britain hopes the improved atmosphere, the removal of the irritant of Hong Kong, and the promise of a modernised Chinese financial and banking system will produce a windfall for business. Britain is the largest EU investor in China, participating in 1,800 ventures worth \$12bn (£7bn).

This bit of Reigate has been improved by Judy Gapp who cycles to the station instead of driving which reduces pollution and helps stop global warming.

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# Static Japanese economy wakes up to Big Bang

By Richard Lloyd Parry  
in Tokyo

APRIL Fool's Day has never really caught on in Japan and this year, even more than usual, today will be a solemn and joke-free day. It is the beginning of the new financial year, and a time of unusual anxiety, with the continuing uncertainty of the Asian economic crisis. But above all it is significant as the beginning of something which has been eagerly and tensely awaited: since its announcement a year and a half ago, few Japanese understand exactly what it means, or no one knows whether or not it will work. The easiest thing about it is its name. It is the "Big Bang".

Big Bang (as it is known in Japanese) is no joke, indeed, on the face of it, it is a yawn: a series of changes in Japanese laws and rules designed to liberalise the financial markets.

If the Big Bang works, Japan will be assured of its status as the world's second financial superpower, a magnet for money and financial expertise from all over the world. If they fail, it is feared, the country will dwindle in power and influence to become the Switzerland of Asia, a place of expertise, but little influence. "It is like Japan is sinking," Juichi Yamana, an economist with Nippon Life Insurance Co. said this week. "Unless it changes fast it will lose any hope of staying afloat."

For most of the decade, the

economy has been stagnating with close to zero growth. The banking system is shackled with bad debts left over from the "bubble economy" of the 1980s. In 1989, the value of companies on the Tokyo Stock Exchange was the highest in the world. This week, after the latest in a series of tumbles on the stock exchange, Tokyo slipped into third place, behind New York and London.

The principal reason for this, everyone seems to agree, is regulation. In Europe and America, the guiding philosophy is survival of the fittest. Fi-

**'It is like Japan is sinking. Unless it changes fast it will lose hope of staying afloat.'**

ancial companies are largely left to themselves to prosper or fail according to their own luck, judgement and the natural movement of market forces.

In Japan, they are subject to the wishes of the Ministry of Finance, which plays a large role in determining who can do what. Those who co-operate are protected from outside competition; they make profits, but the process of natural selection which weeds out the failures and

encourages the talented, is stifled. As a result, they are flabby, uncompetitive and inefficient.

Big Bang takes its name from London's Big Bang of 1986; in a similar way it seeks to remove protective regulations and expose Japanese companies to the chill winds of international competition. Some will perish quickly, most will stagger for a while at least but, at the end of it, the theory goes, they will be fitter, stronger and better able to serve their customers and markets.

In fact the Bang is more of a series of burps than a single explosion; further changes will come in between now and 2001.

Many things could go wrong before this brave new world becomes a reality. Japan's bureaucrats, whose power depends on their ability to control the levers of the financial industry will do all they can to resist the changes. Secondly, as the architect of the Bang, Ryutaro Hashimoto, Japan's Prime Minister, may find himself out on his ear. Before its beneficial effects register, the programme will result in long established Japanese companies, traditional supporters of his Liberal Democratic Party, being driven out of business. Finally the plan depends on an acceptance of foreign competition, a concept alien to traditional Japanese business thinking. The intentions are good, but the Big Bang may yet turn out to be no more than an April Fool.



Change on the horizon: A Tokyo stock market dealer using binoculars to monitor prices on an electronic display board. Photograph: Eric Sogita/Reuters

# Gaullism on trial as Papon awaits fate

By John Lichfield  
in Paris

CAN there be such a thing as a white-collar crime against humanity? The trial of the Vichy bureaucrat Maurice Papon, the longest and most morally complex trial in France for half a century, will end today.

After hearings sprawling intermittently over six months, after taking evidence from 133 witnesses and examining 50,000 pages of documents, the jury is expected to deliver its verdict by the end of the week, maybe as soon as tomorrow.

There is no doubt that Papon, 87, is guilty of something. It has been established that in 1942-44, as a senior official in the Gironde, he efficiently, and sometimes enthusiastically, helped to send 1,560 Jews from the Bordeaux area to an internment camp near Paris, and ultimately to Auschwitz. Only 30 of the deportees survived.

But is Papon, who had a glittering political career in post-war France, guilty as charged with "complicity in crimes against humanity"? The trial has established that on some occasions he showed great zeal in doing the paperwork to round up Jews. On other occasions, he helped "interesting Jews" to escape. Towards the end of the war, he provided assistance to the Resistance. However, it emerged that he had not helped either the Jews or the Resistance as much as he claimed.

Even the prosecution has not asked for a life sentence against Papon but instead for a 20-year jail term. Given his great age, this amounts to the same thing. It also amounts to an admission that his guilt was relative. Can there be such a thing as lesser crimes against humanity? The jury, composed of nine jurors and three judges, must wrestle with these philosophical-political questions, as much as with the facts.

Papon survived from left-leaning pre-war governments to thrive in the Nazi puppet Vichy

regime of 1940-44. He survived the post-war purges to take posts of ever-increasing importance under Charles de Gaulle and Valéry Giscard d'Estaing. He was budget minister when his role in deporting Jews was unmasked in 1981.

In this sense, the second undecoded defendant in the Papon trial, has been Gaullism as much as Vichyism. The Papon hearings are ending when many of the same issues are dangerously live in French politics. Vichy politicians and officials collaborated because they convinced themselves that this was the best way to rebuild French strength and pride.

Much the same arguments are deployed by those politicians of the traditional Right, in-



Maurice Papon: Rose to high office after the war

cluding some low-ranking Gaullists, who have made deals with the Vichy-apologising National Front in recent days.

The likelihood is that the jury will feel constrained to convict Papon because to acquit him would be to acquit Vichy, to acquit the Holocaust, and to acquit the post-war policy of official amnesia. In any case, Papon will appeal and will almost certainly never go to jail. His wife of 60 years died last week.

The 50 civil parties to the trial, relatives of the Jews Papon helped to deport, said they had no objection to Papon going home to bury his wife. But they said that it should not be forgotten that they had never been able to bury their own relatives.

# Drivers gear up for the end of the forecourt's five-star service

TODAY, for the first time, Japanese motorists will be able to drive into a petrol station, fill up their engines and pay for it completely unassisted, writes Richard Lloyd Parry.

Elsewhere, this would be a routine chore. Here it is an unknown experience, for even in a country renowned for its service, nothing matches the simple experience of visiting a Japanese petrol station. Nothing like it has been seen in Britain since the good old days. And now it is under threat, from the unstoppable forces of deregulation.

Rather like the tea ceremony, which begins to cast its spell in the tranquil garden surrounding the tea house, the Japanese petrol experience begins before you have even swung onto the forecourt. Aligned by the engine note of your car, a young man (or two) begins simultaneously waving and bowing you in. Cohorts of other helpers, all bowing and shouting "Welcome!", emerge to fill your tank, check your oil, water and tyres, and attend to pigeon excrement on the wind screen. It is the automobile equivalent of a relaxing massage

And soon it will be no longer. The truth is that the petrol stations do not provide their service simply out of conscientiousness; until today it has been simply against the rules for Japanese to fill their own cars, on the grounds that it is simply too dangerous. The arrangement has its advantages - apart from pampering motorists, it provided jobs to even the least qualified school drop-out. The cost was reflected in the prices - but since the same rule applied to all, the petrol companies did not complain. The only victims were consumers, paying

for services which they had no choice whether to accept or not. To walk through Tokyo is to witness one example after another, of unnecessarily employed people, like the man standing next to the road works, holding the flashing red light which could just as easily be mounted on a stand. It often appears absurdly inefficient, a waste of taxpayers' or customers' money. But it is a reflection of the way in which private and public enterprises act as an unofficial welfare state, protecting from unemployment those who might otherwise be welfare dependent.

Now in its effort to free up its services to the forces of competition and consumer choice, the Ministry of Home Affairs has yielded to the inevitable: from today manned, self-service petrol stations will

be allowed. Prices at the stations will drop from about 90 yen to 80 yen a litre, so will the numbers of people they employ (from an average of eight attendants to two). And no longer will a gallon of four star come with five star service.

# Summer hits the city and stirs up sexual angst

Well darn, it's summer again. From snow to 80-degree sun (yes, we still use Fahrenheit over here) in just four days. As the *New York Times* put it today, it's the triumph of El Niño over El Niño. Not everyone is happy. An office colleague is pinning for winter already. Heat doesn't agree with her low blood pressure and, anyway, she says, New York is a bad summertime city. When the thermometer climbs, she needs to be beside the sea. Funny, here we are on an island surrounded by ocean but most of us don't even notice.

My problem with Gotham-in-the-sun has to do with sex. As the layers fall away and skin makes its annual comeback, it becomes so much harder not to think about it. About how everyone is so much more attractive than you are (balding, thickening waist, getting closer to 40). And about how all those young things crammed Washington Square and showing off in their shorts and rollerblades must surely be humping the Manhattan night away when you and the wife are still watching re-runs of the winter sitcoms.

These flashes of sexual inadequacy were soothed somewhat by a survey of the sexual habits of single Gothamites in last week's *New York Magazine*. If its statistics are to be believed, this town is not nearly as carnal as one might believe. "The city that never sleeps has turned into the city that never sleeps around," it concluded. For example, 53 of the singles surveyed said they never indulge in one-night stands. Less than 15 per cent said they would have

## NEW YORK DIARY



David Usborne

sex on a one-night stand either "very often" or "somewhat often". And while only 4 per cent said they had had sex with 100 partners or more, 6 per cent said they had never had sex of any kind. Suddenly, I begin to feel better. And look at this: When asked when it was that they last had sex, 22 per cent of these singles had to admit that it was "within the past year" and 21 per cent "within the last month". Only 17 per cent could say today or yesterday. Suddenly being married and in New York, whatever the temperature, seems less disappointing.

I should go and thank the folks at New York personally. The ageing spire on Madison Avenue that is home to *The Independent* here was for years known as the Newsweek Building. Tired of lavatories that leaked water from one level to the next and lifts that travel more slowly than a midtown bus, *Newsweek* upped and left a while back and *New York* has now taken over its multi-floor lease. Where once there was an understated *Newsweek* neon sign and temperature indicator on the roof, now there is a lurid

rendition of the scarlet *New York* masthead. I have been thinking of confronting *New York*, however, and presenting my overwhelming case for renaming this "The Independent" building on the grounds that I, my kettle and my microwave, have been in residence longer than they. I shall wait a few days, though, since the magazine is celebrating its 30th birthday this week, and I wouldn't want to spoil the party.

Yes, the party. It is at Studio 54 on Thursday and I have not been invited. A case of my envelope going astray in the internal mail system, clearly. But then everyone is feeling hyper-sensitive about invitations received and not received right now, because this is Fashion Week in New York and, as every self-respecting, and self-absorbed, New York mediaperson knows, much more important than the clothes and the catwalks are the dusk-till-dawn bashes happening all around town. Well, I do have one party invite, and actually I am quite proud of it. It is being thrown by the people at Visionaire, who four times a year put out an album of the latest and sexiest in fashion, art and photography for around \$75 an issue. One doesn't like to drop names. Heaven forbid. But another on Visionaire's guest list is Leonardo DiCaprio.

Which brings us neatly back to sex. Is young Leo, star of *Titanic* and the object of desire of galaxies of girls (and not a few boys) around the globe getting any? And with whom? I shall sharpen my pencil, observe and report my findings.

## Biko family unforgiving

THE family of the South African black activist Steve Biko said the nation's truth commission should not grant amnesty to five former security officers for their role in his death 20 years ago. Nkosi-nani Biko said the five had not made a full disclosure to the Truth and Reconciliation Commission.

— Reuters, Cape Town

## Lebanon toll

Five Lebanese civilians were killed when a roadside bomb exploded inside Israel's south Lebanon occupation zone, pro-Israeli militia sources said. A sixth Lebanese civilian was severely wounded in the blast near the village of Kawkaba.

— Reuters, Marjayoun

## Feminist dies

BELLA ABZUG, a feminist who fought against the Vietnam war and found that a woman's place can be in the House of Representatives, died, aged 77, of complications following heart surgery.

— AP, New York

## Strike chaos

ONE hundred people were injured in Bangladesh when police clashed with striking factory workers, demanding better pay, blocked railways and highways.

— AP, Dhaka

## 180 drown

AT least 180 Somalis were reported drowned when their boat sank off Yemen; only eight survived. The vessel was carrying 182 passengers and six crewmen.

— AP, Geneva

SOMETIMES  
IT'S EASIER  
TO TALK  
TO SOMEONE  
YOU  
DON'T LIKE.



When you have a problem, it's the most natural thing in the world to want to talk it through with someone. Sometimes, though, this creates another problem: who's the best person to confide in? An obvious choice would be a close friend. But let's face it, we don't always choose our friends for their amazing powers of tact, diplomacy and discretion. Tell one person, and you may end up telling the world. You may be lucky enough to be able to talk to someone in your family. Then again, you may be one of the large number of people who find talking to your nearest and dearest agonisingly embarrassing. A girlfriend or boyfriend? If you can, great. But sometimes we don't want to expose our weaknesses to those who fancy us. And sometimes your relationship is

the very problem you want to discuss. That's where The Samaritans can be useful. We're more discreet than your best mate, we'll listen as carefully as your girlfriend or boyfriend, and we're as sympathetic as your family. We're also non-judgemental, unshockable, and extremely experienced. Our national number is 0345 90 90 90, and you can e-mail us on jo@samaritans.org or visit our homepage at www.samaritans.org. We're available 24 hours a day, every day of the year. And you don't have to be climbing up the walls before you call us - any kind of problem, big or small, is a good enough reason to pick up the phone. Call now. You'll find we're remarkably easy to talk to.

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We'll go through it with you



# Missing in action: our black stars

The demise of minority theatre groups has narrowed the choice of roles for many actors to either hooker or pimp in 'The Bill', says David Benedict

SOMETHING rather radical happened last year. We actually saw two productions of *Othello*. One of Shakespeare's most theatrically effective plays, it has been unofficially off-limits for years. Why? Because there were no black actors strong enough or experienced enough to essay the role. Or so the story went. Trevor Nunn directed an astonishingly powerful, gripping chamber version of the play with opera singer Willard White in 1987 for the RSC (later filmed in studio) but despite the moans of white male critics who lambasted the supposed political correctness of waiting for a black actor to play the role, there was little activity on the *Othello* front. Then, like waiting for a bus, two suddenly came along at once.

Ben Thomas's lean, threatening, militaristic performance was the chief reason for seeing Yvonne Brewster's uneven production for the touring black theatre company Talawa, while David Harewood pulled great reviews for Sam Mendes's National theatre version.

Time was, actors and directors saw nothing wrong in "blackening up" to play the Moor, as in the case of Laurence Olivier whose eye-rolling performance was captured on film in 1965 (opposite a frankly peculiar Desdemona from Maggie Smith, a woman under the influence of Kenneth Williams).

It must be remembered that this was the time when up to 20 million viewers tuned in to the BBC to watch *The Black and White Minstrel Show*, an all-singing, all-dancing spectacle derived from the offensively entitled American "Coon Shows". The BBC's ratings grabber only finally disappeared in 1978 but even then 5 million people were still happily watching.

Say "black theatre" to a white theatre-goer from the 1970s and chances are they'd reply *Ipi-Tombi*, which regardless of any choreographic merit the musical may have

had, was basically a tits 'n' feathers show for the tourists. The first all-black, non-musical production in the West End didn't happen until 1987 with James Baldwin's *The Amen Corner* which had played Broadway 22 years earlier. Why had it taken so long?

Outside of compilation shows like *Five Guys Named Moe* black theatre may not have made it to the mainstream, but that may be because for many it was never the explicit objective. In the glory days of the fully-funded 1980s there were around 20 black theatre companies including Temba, Umoja, and Theatre of Black Women, all of which are now long gone. Much of their work was never intended to storm the West End, preferring to speak directly to a black audience.

The only two survivors of the 1970s/1980s explosion of fringe theatre are Talawa and Black Theatre Co-operative. Felix Cross, director of Black Theatre Co-op, alludes to the now defunct national lesbian and gay company Gay Sweatshop. He counterbalances its demise with the massively increased visibility of gay work in the so-called mainstream. "The company has died. So, did the movement succeed or fail?" he wonders.

"The issue of text-based theatre has not been as central to black culture as music has been." He argues that black theatre initiatives continue, but they have remained or become increasingly ghettoised in a way that black music quite clearly has not.

Black music has had a seismic influence on white music. This isn't opinion, it's fact. Jazz influenced everyone from Stravinsky to musicals to rhythm and blues to soul.

"One island the size of Surrey influenced an entire decade with reggae. Black Theatre hasn't done anything like that. The discussion can't begin to take place on that level. If we haven't made that cultural appropriation, what then is the aesthetic and ideology behind black theatre? Writers

like Biyi Bandele-Thomas and August Wilson - neither of whom grew up here - they write with their own identifiable black aesthetic. Most other writers, no matter how good they are, do not." He believes that it is only when black theatre develops something that white theatre doesn't have that it will have the power and influence to move forward. It's a view out far from that of Garfield Allen who is a key player in the Arts Council's Regional Theatre Strategy whereby the West Yorkshire Playhouse, Nottingham Playhouse and Leicesters Haymarket have provided opportunities for black theatre artists to develop entire programmes of work.

Faced with less accessible funding as represented by the absurd reality of the much

vaunted Arts For Everyone scheme (more a case of "Art for the lucky few who got through the funding hoops"), Allen is alive to the economic and political arguments which determine everything. "At the time of rioting in the Eighties, money was chucked at black work. Now you have to look for money from the business sector and the most unlikely places."

The image of black theatre is summed up by its actors, but the likeliest place to find them is still *The Bill*. CVs of young black actors make for highly depressing reading. If you're a woman you'll have played hookers; if you're a man, you'll have played pimps.

Integrated casting remains a dream for most actors. There are exceptions. Leading young people's theatre specialists like Theatre Centre and Red Lad-

der have actively worked on the principle for so long that it is absolutely taken for granted.

Then there are the stand-outs like Gary Wilmot. Despite being the sole reason to see *The Goodbye Girl*, his very good reviews never mentioned that he was a black actor in a role created on film by white Richard Dreyfus. But it is still extremely rare to find black actors in major roles unless the part is racially identified.

The debate around this is nothing new, so much so that people like Cross have given up discussing it at conference level. "All these discussions about integrated casting are filled by reasonably liberal-minded people who are already doing it. The day that Adrian Noble turns up to a conference on black theatre will be the day we can really have a debate."



Moor of the same: David Harewood as Othello in Sam Mendes's production at the National Theatre in London last year, and below, a blacked-up Sir Laurence Olivier in the 1965 film version.

Photographs: Geraint Lewis/Kobal



## Coming up clean from a writer's dirty laundry

Brian Friel's latest offering is another tragi-comical homage to Chekhov, but Paul Taylor feels the actors deserve higher praise than the script

A SPECIAL circle of hell may well be reserved for writers who sell their papers - every faltering first draft, every sordid scrap of correspondence, every slip of the pen and rejection slip - to an American university archive. The posthumous torment for this category of the damned will be to wade endlessly through the mountain of false conjecture and interpretation

that the hacks of academe proceed to base upon such a trove. Better to be an enigma than a compellingly ajar than a misread open book.

On the other hand, the temptations to flog off one's literary dirty laundry can be powerful, as we see from the experience of Tom Connolly, the novelist at the heart of *Give Me Your Answer, Do!*, a new play

by the great, but latterly below-par Irish dramatist, Brian Friel. Like *Artistic and Dancing at Lughnasa*, this is one of Friel's tragi-comical homages to Chekhov - a kind of octet, played under a slowly westerling sun, whose separate voices of defeat and disappointment interweave involuntarily in Robert Lefevre's superlatively acted production.

The play begins and ends, though, more in the world of Peter Nichols' *A Day In The Death of Joe Egg*. Visiting his long-institutionalised daughter, Brigitte - a young woman who sways, open-mouthed and beyond communication, on her bed - brilliant Niall Buggy's shabby teddy bear of a Tom rattles off reams of cod father gossip, its ludicrous fancifulness, and the fact that he casts his daughter as the silent sloop in a tenderly gruesome comedy routine, indicative of despairing paternal love.

To secure a better private hospital for this unreachable creature might be one good reason for selling his papers, the monetary value of which escalates when it emerges that he has the manuscripts of two unpublished pornographic novels he wrote in a fury of inspiration just after the adolescent Brigitte was taken into care.

Why then exactly, and why pornography in a career otherwise marked (held back even) by integrity? The play seems to be resistant about the murky background to this more out of periodic forgetfulness than a desire for Chekhovian ubiquity. By contrast, there's far too little left to be deduced between



Waspish: Siorcha Cusack (left) and Gawn Grainger in *Give Me Your Answer, Do!* Photograph: Geraint Lewis

the lines in Friel's dramatisation of the preparing for, and aftermath to, a bibulous lunch party at the dilapidated bill-rid-

Gawn Grainger and Siorcha Cusack are wonderfully waspish as the successful popular novelist and wife, a double act

Niall Buggy's Tom, a shabby teddy bear, reams off cod father gossip, its ludicrous fancifulness indicative of despairing paternal love

den manse Tom shares with his wryly wise wife, Daisy (Geraldine James, excellent, the most glowingly beautiful go-to-seed incipient alcoholic you're ever likely to see.

This is the kind of play where Daisy's mother (Margaret Tyack) is established as a doctor principally so that strangers can unload their nervous breakdown stories on her. The result still feels improbable, as do her dreadfully stacy set-piece speeches about (and at) her semi-retired cocktail pianist husband (John Woodvine) a compulsive petty pilferer. Even Daisy's eventual argument against the sale (that it would rob Tom of the uncertainty necessary for creation) seems a bald and weak piece of reasoning rather than an emotionally nuanced response to their fact. An evening you'd want to recommend, though more for the quality of the acting than the play.

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Call cost 50p per minute at all times. Winners picked at random after lunch 6 April 1998. Usual Independent Newspaper rules apply. Editor's decision is final.





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# Catwalk to high street – just Morganise it

AMONG the sack-load of show invitations that landed on our doorstep during Paris Fashion Week, one stood out like a sore thumb. It was from Morgan, the city, French, high-street chain that's big over here – an opportunity not to be missed.

It is widely assumed that the high-street waits for the international catwalk shows to take place and then faithfully picks the key trends, waters them down, and serves them to their customer at an affordable price. Not Morgan. It showed its Autumn/Winter '98 collection on the catwalk alongside the key trendsetters.

What Morgan showed was a good representation of what is currently happening in fashion on street level (ie: a couple of seasons behind

Morgan is unique in showing its collection alongside top designers, but what it sells in its shops is another matter, says Melanie Rickey

she was 1972, when she was 18, cried as she accepted the congratulations.

But, come September, very few of the clothes seen on the catwalk will make it into Morgan's shops. Instead, they will be adapted to appeal to as many women as possible. "We see the show and then we have to think about how it will work on the Morgan Girl," says Debbie Winstanley, Morgan's buying director for the UK and Ireland.

Winstanley has intimate knowledge of the Morgan Girl: she likes to be in fashion, is aged between 20 and 30 and works because she wants

to be independent, although she probably has a man in her life. She reads *Elle*, likes going out and wears a lot of black, and animal prints (60 per cent of clothes sold from Morgan are black, 30 per cent are animal prints). Colour scares her.

When grey came in last year, she didn't take to it straight away. Similarly with pink, shorter-length trousers and longer-length skirts, which have taken two years to make it from the catwalk to the shops. "Morgan Girl is ready for grey now," says Winstanley.

Last October, Morgan presented the catwalk collection show, featured

Once adapted to suit customers – or "Morganised" – each garment will sell and sell. High fashion may have the edge, but high street has got the cash and the customers. Morgan won't be selling the microfibre dimidi for Autumn/Winter as shown on the catwalk. It will be Morganised to be worn in any UK town or city without provoking laughter.

Shelley Hunt, fashion director of *Company* magazine was disappointed to find that the press samples which could be photographed for the pages of her magazine will not necessarily make it into the shops. "I love their shows," she says, "and want to photograph it all, but it's frustrating when half the stuff won't be available. Hunt wishes they would take a few

risks, but Morganising takes no chances and it works. The company has doubled its output year-on-year since launching here in 1992, and there are 38 Morgan stores across the UK and Ireland, 501 stores worldwide.

The idea behind launching Morgan in the UK was to bring French style to the British high street. Prices are reasonable: tops under £35, jackets no more than £100 and dresses costing £80 maximum.

So, what's the point of showing on the catwalk? "The shows are our drawing board," says Winstanley. "We take a shape, a colour, an embellishment and convert it. It might make a fashion photo in a magazine, but we have to sell it, we can't let our customers down."

## WHAT'S HOT



### High-low shoes

WHEN the new big-mouth, all-type-and-no-trousers designer Jeremy Scott sent his models down the catwalk wearing one shoe higher than the other at his Paris Fashion Week show, "Contrapied", last month, little did he know he was about to instigate the Next Big Trend in footwear.

The designer's trousers featuring one leg shorter than the other have already attracted a cult following. But fashion victims, hungry for the new lop-sided shoe look, are doing it for themselves, while Scott's challenging styles, by Christian Louboutin, won't hit the shops next September.

Already, doctors are expressing concern about the potential for spinal injury in young people wearing a bin platform on one foot and a flat pump on the other. Ambulances in the fashion capitals of the world are said to be on alert for emergency calls from people who have simply fallen over in their shoes and are unable to stand up again.

Meanwhile, the waiting list for Scott's new high-low shoes is growing.

Tamara Blanchard

## AS SEEN AT ...

### Liberty reader evening

by Kate Lloyd



MARK CLARK, senior sales person, 27, came along to Liberty to learn more about the designers and the collections. Dressed in a black Kenzo suit and shoes by Prada, Mark says he is a big fan of Kenzo suits, "because they are more interesting than traditional, single-breasted suits".

TRISTAN Webber, Frazer Moss and Jimmy Collins from YMC, and Kenneth MacKenzie from menswear label 6876 joined readers of *The Independent* at Liberty last Wednesday night for an evening of fashion, style, shopping and heard discussion about how to find the perfect pair of trousers that, as one reader complained, don't make



you look like a traffic warden or a child molester.

Stylist Sophia Neophiton took to the stage to guide readers through some of this spring's designer looks – explaining how the designer puts an outfit together on the catwalk and how the consumer should wear it.

While readers got some useful practical advice and the opportunity to shop after closing time, designers also gained an insight into what their potential customers are looking for.

Mr Moss upset some of the audience by claiming his label is for 18 to 35-year-olds. "I design for what I know, and that isn't ageist, there is no class or age divide," he retorted.


Mr Webber welcomed the opportunity to meet customers, saying: "It is important to learn about people's demands – it helps to tailor the aesthetics to actual people." Mr MacKenzie added: "At the end of the day, it is about real people wearing real clothes. It's good that people are finding ways of problem-solving and mixing designer clothes for individual styles."

IN THIS WEEKEND'S

# SUNDAY REVIEW

ALL INDEPENDENT ON SUNDAY - FASHION SPECIAL

## AMERICAN FASHIONS



Wearable, desirable and, above all, easy:  
16 pages featuring the best of  
all-American style for men and women –  
without having to cross the Atlantic



Office affairs are a fact of life. In the concluding extract from her new book, Judi James sets out the rules of engagement

# When a colleague becomes a lover

IT HAS been estimated that up to half of us meet our future partners through or at work, which makes it a significant venue for budding romance.

There are obvious plus points to meeting your partner at work:

1. You know you will have at least one thing in common, as well as an informed ear to bounce all your troubles off when you get home in the evening.

2. You will probably have had the opportunity to study this person quite closely before starting to date them. Work is a way of test-driving a potential partner (ie getting to know them) before taking the plunge and asking them out. Better still, you'll be seeing them during the day, rather than just propping up a bar with them in the evening. This system obviously has advantages over night-time pick-ups in darkened clubs, holiday romances (nominally short-lived), or blind dates arranged by friends.

3. The convenience factor. Work together during the day, pop out for a quick drink after work. Bob's your uncle. High-powered City workers of the Nineties are accustomed to using the office as a complete life-support system. Food is brought in to them. Drinks are on tap. Everything is in order, from stress-hustling massage at the desk to on-site counselling, so why not pick a mate there too?

Making a pass is a dangerous manoeuvre in the workplace. If your interest is not reciprocated you could be accused of sexual harassment or - at least - end up looking sad and sleazy once the office gossips have done their worst.

**The Chat-up:** Fancying someone you work with is not a criminal offence and neither is asking them out. It's always wise to keep in mind, though, that in the workplace you should think and plan before you act. Prior to making a play for a colleague, work

out the following - however hard it is to be coldly rational under the circumstances:

1. Do either of you have attachments - are you or this other person married/living with one another? Do either of you have a steady partner? Does that partner work in the same company?

2. What are your positions in the company pecking order? Are they compatible? 3. Are you in any danger of being accused of favouritism if you start to see each other outside work? Will the change of confidentiality come up?

4. How highly do you value this person as an employee/colleague/friend? Will a relationship compromise that situation?

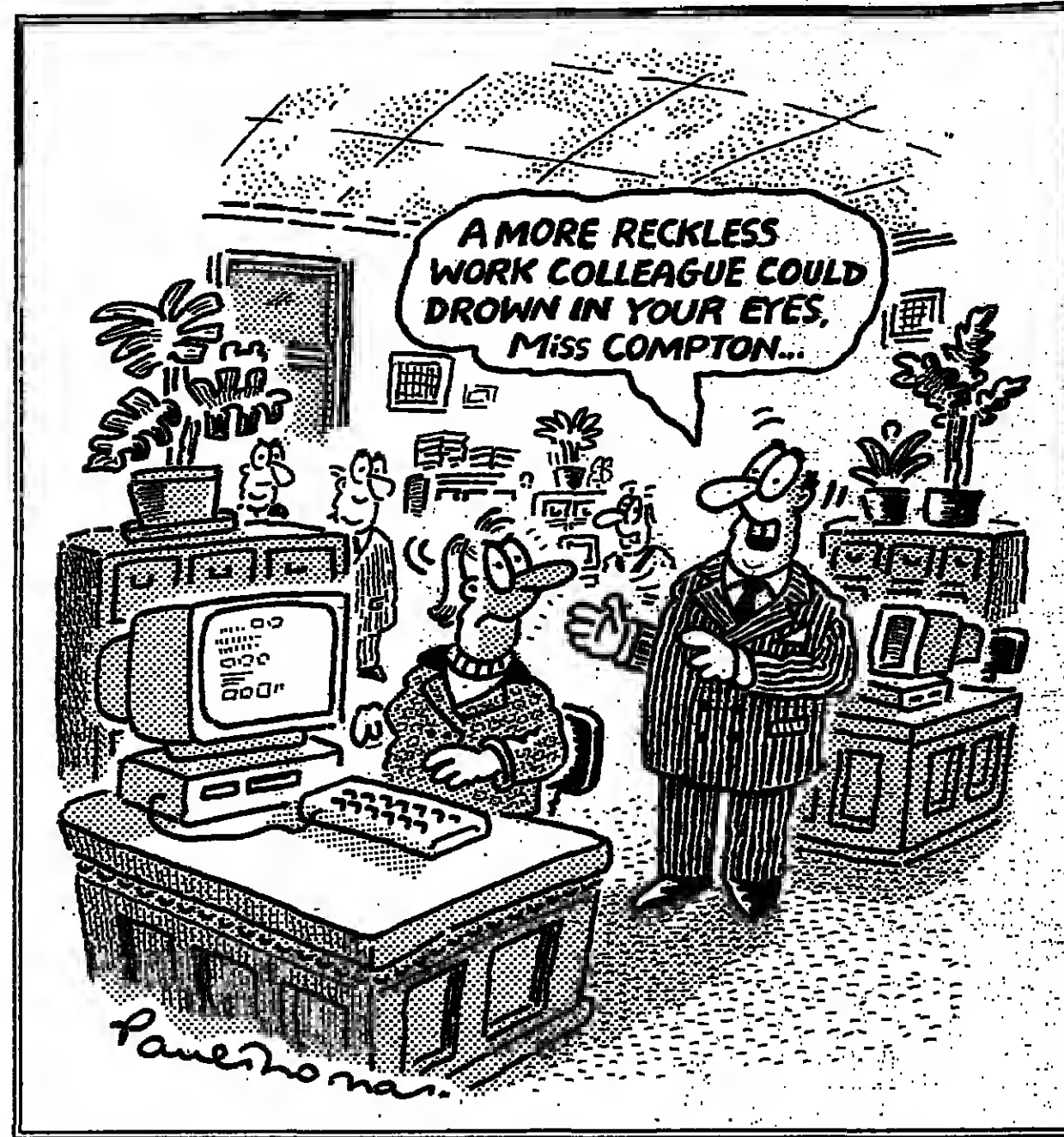
5. What if you see one another and then break up? Will that affect the business relationship?

6. What do you expect the company will think about a romance between you?

**Etiquette:** Dating a work colleague requires a good amount of old-fashioned social etiquette, not because it will make you any more attractive but because it will make the whole process a lot more comfortable and a lot less difficult, if and when the whole thing ends.

Subtlety is not the wisest ploy. Working with someone means forging an effective relationship. Hinting that you would like to take things further but never being specific can make the whole relationship uncomfortable, especially if it's a boss/employee situation.

Trying to blur the lines between business and pleasure will appear sleazy. This would entail getting someone to work late at the office and then taking them out for a meal "because it's too late to go home and cook" or taking them away on a business conference and making sure your rooms are next door to one another. Hedging your bets in this way is mean.



Working well with someone means being relaxed with them - and that is impossible if you're not sure whether they're trying to seduce you or not.

When someone operates in this manner, it is difficult to know when to say "no, thank you". If you do tell this colleague you're not interested in them as a partner they may claim - unfairly - that that was never their intention in the first place, craftily extricating themselves from the area of conflict, leaving a sour taste all round.

**Being positive:** Surely the best move if you fancy a colleague is to ask them out on a good, old-fashioned date. Let them know it's a social thing too, or they may be unsure whether it's a meeting to discuss business. Be light in tone but clear about your intentions (not all of them, of course). Allow them to see that you want to put the relationship on a social footing, thereby also allowing the courtesy of letting them turn you down too.

Plan your next move if they do turn you down. Take no to mean no and never ca-

jole, push or ask for an explanation. Don't skulk, sulk, or become bitter or sarcastic. Plan a semi-joke line that will immediately alleviate the atmosphere between the two of you and restore normal working relations.

Simple is best, as it avoids too much hush inducing-hahle. So how about "that's okay, no hard feelings", or "wise girl/chap" (whatever), or "no, you're right, I enjoy working with you, so why complicate things?" (put your own tone and inflection onto these). On paper they read a bit like Noel Coward out-takes.

And at all costs avoid the following: "That's okay, no hard feelings - as I hope you won't have when I tell you your pay rise has just been cancelled." Or: "So Quentin in accounts was right after all, you aren't lesbian/gay".

Be polite, open, honest, and assertive, not furtive. Don't drop hints or come on too heavy. And never be lewd (good, old-fashioned word) or make a pass. How about "Would you like to come out for a meal with me tomorrow night? Purely social, no

work to be discussed." If you don't like that, then write your own script, but make sure it's something along those lines.

**Breaking-up without tears:** If you find this person is not the man/woman of your dreams it would be cruel to keep things going beyond the first date. Now, remember all those nasty little tricks people use to ditch someone who will be absolutely no use in the workplace. You cannot stand them up or forget to phone. The phrase "I'll call you" won't apply because you'll see their smiling face next morning in the office, and because of that there must be a rule:

**Sex on the first date is OUT!** Think Glenn Close in *Fatal Attraction*. Think anything that will scare you enough to persuade you to wait until you are in a serious and stable relationship. This isn't talking kiljoif, this is just being practical. Do what you want on the social scene, but in business do not be too eager. It is difficult jilting anyone you have to work with, but once you have had sex it is a million times tougher and more complicated.

**Be discreet:** Never wench on a date. Don't tell even your closest workmates what went on. There's no need to keep the whole thing secret, but never, ever spill the beans about what was said and what was done. Be gallant. Never tell anyone you work with what a disaster/rave it was. Don't discuss details of moles, birthmarks or size of body parts, the excuse you present to your date for not seeing them again should be the same you give to everyone else.

Word always gets back. Be charming and never inflict unnecessary suffering. If you are asked out by a co-worker and turn them down, keep that quiet too. Don't boast about your pulling power and don't mock the afflicted.

*Sex At Work: A Survival Guide by Judi James, published by the Industrial Society, is available in bookshops from 3 April, price £8.99, or call 0121 410 3040*

## Uncontrollable passions



There is a strange mental phenomenon that can overpower even the most serious-minded and conscientious employee when they embark on an affair with a colleague, and then, when they suffer a barely controllable urge to get down to having sex at work. Why? (You may ask). The only possible answer is: it is

For some, thinking of indulging, I will add only five words to this point: open-plan offices, security cameras. Need I say more?

If you must indulge, though, there are some of the favourite office spots for consummating this sordid affair:

### Desktops

A prime naughty spot on account of the fact that what would normally host your after-hour of sweated labour should also be permitted to induce the odd hour of more.

### File-filled perspiration

Desktops inspire the ultimate fantasy of business encounters: are locked to the floor while one fell swoop of the hand-drawn (difficult with all the PC equipment, I know - all those leads and plugs and mouse mats) buns are unplugged, the top of the desk is lifted, and the old unseen paperclip or staple is used to mar the magic of the moment.

**Stationery clipboards**  
Or any clipboards come to that - and the more cramped the better.

**Photocopiers**  
For all those happy couples wishing to send their friends visual souvenirs of their intimate moments.

**The roof**  
Fire drills are a thing to be popular with the happy couple tripping furiously up the fire escape to the relative privacy of the roof (flameroofs are safer but this more adventurous will sweep by the sloping variety). The added advantage of using the roof is that you can get a suit tan at the same time.

**The boss's office**  
For members of the Dangerous Sports Club only - unless one of the participants happens to be the boss.

**The lift**  
For speedy practitioners only - unless you enjoy being interrupted by firemen.

**The car park**  
Basement car parks are usually badly lit, which could be an advantage, although stories abound of couples getting stuck.

## The office bromides



Modern working environments have, to a certain extent, evolved their own checks and balances to counter workplace passion

**Sad claddings:**  
The business suit. Smart it may be, but revealing it ain't. Head and hands are the only flesh visible.

**Stress:**  
The most effective way of stopping all those hormones and testosterone in their tracks. Stress levels in business are high and rising. Good stress-surfing brings about the old adrenalin rush that can engender frisky behaviour, but negative

stress can make you too tired and anxious even to notice the sex of the person working next to you, let alone fancy them.

**Downsizing:**  
Which means added workloads which equals "too busy to even think about it".

**Bad habits:**  
Unattractive office behaviour like knuckle-cracking, foot tapping, slurping coffee too loudly, whistling, loud yawning or noisy eating are all common practices in open-plan offices and can constitute a great turn-off.



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## Deirdre, you're just a soap star. Okay?

All is not well on 'The Street' - and even the Prime Minister is concerned. Time to get real, says Fran Abrams

OH, DEIRDRE. Couldn't you just pull yourself together and stop weeping for a bit?

Try and look on the bright side, girl. There you are, tucked up all nice and cosy in Strange-ways with Margi Clarke for company, while out here the rest of us are having a hell of a time. No point in picking up a paper or turning on the news. Going to the pub has become a trial. And why? Because you're everywhere. Deirdre, that's why.

And look: you've got me doing it now, too. Please can we get one thing straight before we go any further. You Are A Character In A TV Soap Opera. I am. I admit, a huge fan, but unlike almost everyone else in Fleet St I have not yet totally relinquished my grip on reality.

For the sake of those Independent readers who have spent the past 36 years halfway up Ben Nevis, I will recap.

You see, there's this pro-

gramme, *Coronation Street*. It started out as gritty, high-quality kitchen sink drama, then later it became brilliantly self-mocking. ("What does that lipstick taste of, Hilma?" Stan Ogden once asked after a rare anniversary peek. "Woman, Stanley," she replied, puffing up her bony breast seductively. "Woman!")

To be fair, Deirdre has always been a sort of tragic foil to the sunnier side of life on *The Street*. Over the years she has suffered a broken engagement (Billy Walker), two failed marriages (Ray Langton, then Ken Barlow, who testified against her in court), a conscience-stricken extra-marital affair (Mike Baldwin, who is paying her legal costs, much to Ken's chagrin - Mike, by the way, used to be married to Ken's daughter) and a widowing. Her last, a Moroccan waiter called Samir Rachid, was apparently beaten to death by racist thugs just as he was about



Behind bars: The tearful Deirdre and her large specs

to donate his kidney to Tracy, Deirdre's daughter. The op still went ahead and the kidney lives on inside the dreadful Tracy, even though she has disappeared from the show. She has gone Down South.

In short, nothing ever goes right for Deirdre. So when she fell head over outside spectacles for Jon Lindsay, who claimed to be an airline pilot, we devotees all knew no good would come of it. We knew she was going to

get let down, if not sent down.

But we never expected this. The nation's press has apparently mislaid its marbles somewhere up the back end of *Rosamund Street*. There have been half-page articles in the *Daily Telegraph*, a Labour MP Fraser Kemp, has been heading up the *Sun's* Free Weatherfield One campaign. Even Tony Blair has been dragged in. And I, for one, am feeling just a little put out.

You see, these backs aren't really taken in at all. They know it isn't real. Which is just fine, of course. But the problem is they think it's their joke. If you don't believe me, try asking one of them. "Ah!" they'll cry. "But hundreds of fans have been phoning in offering cash!"

At this point, I am going to make a revelation. Owen Aaronovitch, aka Jon Lindsay, is actually the brother of *The Independent's* very own David Aaronovitch. And there is a story going around the office that Mrs Aaronovitch senior has been genuinely upset by her actor son's appalling behaviour on *The Street*. See what I mean? The myth has even penetrated the intellectual high ground

on the 18th floor of the Canary Wharf tower.

So I rang David to check. "Oh, yes," he said. "It's all been tremendous fun. The whole family has been ringing up, saying 'Did you see what he did last night?'" Yes, but did any of them actually believe it? Of course not. They aren't daft, these Aaronovitches.

And nor are the rest of us. Not even the tabloid reporters who have been ringing up asking whether Owen has fled the country pursued by irate Deirdre supporters.

The thing is, those of us who never answer the phone between 7.30pm and 8pm on Mondays, Wednesdays, Fridays and Sundays already know it's not real. All those people who rang Granadaswitchboard probably just thought it would be a bit of a hoot. But it's our joke, not theirs. When *Street* fans sit around for hours talking about what Samantha did to Des with Chris and what Chris did to Kevin with Sally we are doing it ironically. And if anyone wants to make out we've lost our grip on reality or don't have a sense of humour they can come round here and say that. Okay?







# THE INDEPENDENT

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## Role for Blair in the Middle East

THE Americans are ready to give up their role as mediators in the Middle East. Even to those sanguine about the prospects for a settlement the statement from the American Secretary of State, Madeleine Albright, is arresting: "The peace process is in trouble. We cannot continue in this way. We are not interested in a phoney process. One option is simply for us to remove ourselves from the process altogether."

Well, the United States may try to remove itself from the peace process but abdicating its wider role and responsibilities in the Middle East is not an option. The dilemmas of American policy will persist whether they are hosting talks or not. The Americans need to ask themselves some tough questions. Not the least of these is why the peace process became "phoney"?

At the heart of matters is the accord signed by Yitzhak Rabin, the Israeli prime minister assassinated in 1995, which would have effectively given control of the West Bank to the Palestinians. The present Israeli leader, Benjamin Netanyahu, has long been determined to prevent the development of a de facto Palestinian state by limiting their control to urban enclaves. For as long as this has been the case the talks have been "phoney".

So it has a lot to do with the government of Benjamin Netanyahu (which, by the way, we do not feel reflects the range of opinion and enthusiasm for peace in Israel). And Mr Netanyahu can be very, very, stubborn. But the United States need not have been, and need not be now, hopeless in the face of his defiance. There is a simple calculus always implicit in Israeli politics. When push comes to shove, the Israelis fear conflict with the United States more than they have an interest in settling the West Bank and resisting Palestinian independence. True, you would not think that from the stately rhetoric that pours out of Tel Aviv and the militancy of some elements of Israeli society. Yet it lies in every calculation every Israeli government makes.

The US could still use this. It could step up the diplomatic pressure. It could make explicit where America disagrees with Israel. It could add some strings to the vast aid budget that it grants to Israel, or threaten some of the "sweetheart" military deals these two old allies strike. These were the kinds of sticks that the Bush administration used to some effect in starting the peace process that is now beginning to collapse.

But a President weakened by "zippergate" and a Congress facing mid-term elections are not inclined to such dramatic initiatives. In any case there is little in President Clinton's record in this part of the world that suggests a strong political will. Even the need to carry the Arab world in re-creating the alliance against Saddam did not stir the administration. Quite the opposite, in fact. The United States' insistence on Iraq fulfilling a UN Resolution whilst seeming to ignore Israel's failures in this regard alienated Arab sentiment and made the US even more dependent on its traditional friends in Israel.

If America does depart the talks it will leave a vacuum. Next month Tony Blair will visit Israel. He could take this opportunity to suggest a European initiative. It might be worth trying, if only because someone has to act as mediator and there is a very limited range of candidates. In many ways the Europeans are more suited to the task, free of some of the domestic political baggage that the Americans carry. Of course, the reception that Robin Cook received on his recent visit to an Israeli settlement on in East Jerusalem doesn't augur well for a European Union role. But the Foreign Secretary set some important foundations for a realistic policy, not least by sending a clear message of principle to the Israeli government. As he said of the settlements question: "We could ignore it no longer if the process was to be got back on track." Mr Cook's blunt realism may be the only way of rescuing the "phoney talks" from their abandonment by the Americans. Tony Blair will, no doubt, apply his customary energy to the project of re-starting the peace process, possibly with European patronage. But without some determined American pressure it will be hard to get the Israelis to accept it.

## A great health project – despite the spin

UNLIKE some of his ministerial colleagues, the Health Secretary Frank Dobson seems to be quietly getting on with the job. In his case there is no point pretending money is not a problem. Only a silly spin doctor would try to argue that the quality of health care is not closely tied to the NHS's annual financial allocation, and that is currently not enough to keep up with population changes, let alone new medicine and medical technology. However there are things that can be done even within tight totals. One is defining "health" more widely, identifying the many ways in which badly well-being is conditioned by environment and income. The creation yesterday of experimental zones where "health" is planned and provided on a much broader scale has to be a stride in the right direction.

Why? Because if you plot mortality, illness and disability the map tends to look the same as if you had coloured in for educational under-achievement, unemployment and the other indices of social exclusion. No wonder then that the first health action zones are in places such as Hackney, Bradford and Salford. There is no point in being naive about their potential. To work they will demand superhuman co-operation between institutions and specialists. Housing officers will have to talk to GPs, voluntary groups to social services departments, health visitors to police officers. Even then, they will only work if these poorer areas are better treated in the annual hand-outs of revenue support grants, community awards and health allocations. But it is a great and worthwhile project – and worth a million spin-doctors.



MILES KINGSTON

TODAY I'm going to devote the whole of this space to your questions about the Millennium Bug and that means turning the column over to our resident expert, Dr Erasmus Pinkerton, Professor of Applied Guesswork at Milton Keynes University. All yours, Doc!

Do you know why Tony Blair has suddenly become so excited about the Millennium Bug?

Dr Pinkerton writes: Yes, because he is suffering from the Millennium Bug Bug. What is the Millennium Bug Bug?

Dr Pinkerton writes: It is the state of excitement contracted by those who have just discovered that there will be a computer crisis at the end of the century. But surely we've known about this for years and years?

Dr Pinkerton writes: Oh yes, we have. But

## THE GOVERNMENT INTRODUCES A NATIONAL CRIME SQUAD....



### Battle for green power

THE Government is committed to launching a new and strong drive to develop renewable energy sources in the UK. There are few greater enthusiasts for renewable energy than I. That is why, on taking office, I initiated a major review of UK policy. That review will determine what is necessary and practicable to achieve 10 per cent of UK electricity supplies from renewable sources by 2010: a four to five-fold increase on current levels.

The Government wants to see that new and strong drive extended to the whole of Europe. That is why we have welcomed the Commission's White Paper, not opposed it as you claim ("Britain fights shy of EU plans for 'green' power", 23 March). We support the call for action to promote renewables within the community and we support the adoption of a strategic approach across Europe.

We look forward to a constructive debate with our European partners on how to achieve a substantial increase in renewable energy use.

Clearly, the Commission's plans need to be further developed and I believe that it is a vital step for each member state to develop its own practical, workable plans for achieving the significant increase in renewable energy use which is needed. This is just what we are already doing in the UK.

Under the UK Presidency, I am working towards a Council Resolution which sets just such a course for the whole of Europe. I am not fighting shy of green power. I am fighting for it, often in the teeth of local opposition.

JOHN BATTLE  
Minister for Science, Energy and Industry  
Department of Trade and Industry  
London SW7

### Who pays the Bug bill?

WE are ever being told that capitalism works, with firms competing in a free market with a minimum of government intervention. They certainly should not expect public funds to bail them out when they make a mistake by selling defective products or by buying components which do not perform satisfactorily.

Am I alone then in being dismayed by what Tony Blair says

(Comment, 30 March) about the Millennium Bug? Few things in life have been predictable for so long and with such a high degree of confidence as the following of year 1999 by year 2000. The Bug is the result of a serious mistake by parts of the computer industry, yet the Government is proposing to spend our money to help solve industry's problems.

If the Bug will cost central government £400m, why is it not seeking to recover this cost from the suppliers of computer software and hardware responsible? Many fortunes for directors and shareholders have been made from the successes of the computer industry; it must surely be responsible for its liabilities.

DAVID BACKHAM  
School of Materials Science  
University of Bath

MANY "cowboys" from all kinds of businesses – even government departments – will find the Millennium Bug the perfect vehicle for excuses for why something could not be achieved on time or why an increase in charges is unavoidable.

It will be up to us to recognise genuine trickery and know who to complain to. Perhaps we could address all disputed cases to an official Millennium Ombudsman?

MICHAEL D MITCHELL  
Flackwell Heath, Buckinghamshire

### Promoting adoption

LIV O'Hanlon (letter, 26 March) challenges BAAF to come up with proposals to improve the future for children in care. BAAF has taken action to promote adoption as a unique opportunity for family life for children in the care system who cannot return to their original families. This action includes:

• Campaigning vigorously for the introduction of comprehensive new adoption legislation, currently shelved by the Government, which would place the child's welfare as the para-

mount consideration in court decisions on freeing children for adoption. • Organising the first ever National Adoption Week in October 1997, which generated 267 press articles urging more prospective adopters to come forward for the older children now needing new families. • Publishing and promoting widely our *Be My Parent* newspaper profiling children for whom local authorities have been unable to find new families.

• Collating new statistics about the background of children now adopted and about their adoptive families, including information about how long children wait for new families.

In May, BAAF is holding a national conference for adoption managers and policy makers entitled "From Care to Adoption: confronting the reality facing the future". Important new research will be presented which will challenge existing practice and offer possible solutions to assist local authorities in providing consistently high quality adoption services.

FELICITY COLLIER  
Director, British Agencies for Adoption and Fostering (BAAF)  
London SE1

### We need natural food

GOVERNMENT advisers show unusual common sense in beginning to recognise the harm to the environment inherent in genetically engineered crops (report, 25 March).

The shelf-life of a pesticide is around 10 years: that's how long it takes for resistance to develop in the pests it is supposed to kill. In 10 years' time, we will be witnessing a doubling of genetic engineering in our food crops to cope with the novel environment whose "super-pests" we have created. We will, at the same time, be seeing a doubling of the chemicals used to keep pests at bay, and a concomitant doubling of their ill-effects on us and our surroundings.

The modern obsession with using chemicals – be they in the form of

genes within or of pesticides without – to impose human will on nature can only lead to a spiralling destruction of our environment. Some would call this suicide.

GEORGE STIDOLPH  
Chairman, Scottish Consumers Association for Natural Food  
Glasgow

AS Rose Prince rightly points out (report, 25 March), fruit and vegetables do sometimes contain high levels of toxic residue, resulting from the pesticides used to grow them, and organic produce is undoubtedly better for our health and the environment.

However, in making a comparison with this area of concern and the health risks associated with eating meat, she misses a central point. A diet high in fresh fruit and vegetables has enormous health benefits, reducing the incidence of a whole range of diseases. This is true regardless of whether or not the meat or vegetables are organic.

ANDREW BUTLER  
UK Representative, People for the Ethical Treatment of Animals  
London SW15

### ITC regulations

YOUR article "Murdoch admission leaves Blair in the lurch" (28 March), and Rob Brown in his media column (30 March), were incorrect to state that BSkyB is exempt from Independent Television Commission regulations.

BSkyB has been licensed by the ITC since January 1991 and is subject to the same codes as the terrestrial commercial broadcasters. Although BSkyB uses the Luxembourg-based Astra satellite, the Broadcasting Act 1990 requires that every satellite operator established in the UK must be licensed by the ITC.

PAUL SMEE  
Director of Regions and Public Affairs, ITC  
London W1

### Home for historic library

HISTORIC libraries continually face the problem of remaining alive while retaining past glories (letter, 24 March). The inspired placing of the books of the King's Library in a glass tower at the heart of the spacious public areas of the new British Library, will very soon allow it to be fully appreciated at least as well as in its "original" home.

In the splendours of the King's Library room at Bloomsbury, the exhibitions and museum surroundings made it almost a matter of background; now it is seen as fully part of the British Library, and gives new character to that library. There are regrets at the separation of the collection from the rooms built to house them; but this is essentially a question of architecture.

PETER HOARE  
Chairman, Historic Libraries Forum  
Nottingham

### Poplar planning

THE picture painted by Chris Blackhurst's article about the housing development at Kingston (25 March) is of an idyllic row of poplars in the middle of a local park. In fact, the poplars were planted to conceal the large and unsightly power station from the town and park.

The developer, with the agreement of the local council, has agreed to replant trees elsewhere in the scheme and the trees, by the council's admission, only had a lifespan of another 20 years. These actions were agreed by the local authority as part of the planning process. The local public had every opportunity to raise objections at the time when planning permission was being sought.

If we are not to build on the greenbelt in the future, then the development of brownfield sites such as these will need the co-operation of the local community.

JAMES PELLATT  
London N2

ARE the poplars lining the Thames being felled so that the new owners can plant Leylandii instead?

MARY A LANGRIDGE  
(A sufferer)  
Inverness

## Things that go crash in the night of 31 December 1999



MILES KINGSTON

TODAY I'm going to devote the whole of this space to your questions about the Millennium Bug and that means turning the column over to our resident expert, Dr Erasmus Pinkerton, Professor of Applied Guesswork at Milton Keynes University. All yours, Doc!

Do you know why Tony Blair has suddenly become so excited about the Millennium Bug?

Dr Pinkerton writes: Yes, because he is suffering from the Millennium Bug Bug. What is the Millennium Bug Bug?

Dr Pinkerton writes: It is the state of excitement contracted by those who have just discovered that there will be a computer crisis at the end of the century. But surely we've known about this for years and years?

Dr Pinkerton writes: Oh yes, we have. But

the politicians have only just noticed. And what are the politicians going to do about it?

Dr Pinkerton writes: They are going to do what they always do. They are going to throw a lot of money at it and say that the situation is well in hand.

As far as I can make out, the Millennium Bug refers to the inability of computers to recognise that the year after 1999 is 2000. They think it is going to be 1900. How will this affect us?

Dr Pinkerton writes: Quite nicely, really. If 1900 does come after 1999, we will go back to the long hot summers of the Edwardian era, dresses will get much longer, the ukulele will come back into fashion, people will go out boating on the Thames and cannabis will be legal again. Women will lose the vote. I'm afraid, but you can't have everything

I see... but if we don't want to go back to 1900, what can we do?

Dr Pinkerton writes: Well, you can insure against it...

Will insurance companies really take the risk of insuring against the Millennium Bug?

Dr Pinkerton writes: Sure. For one thing, any policy guarding against the Millennium Bug will not be payable until the year 2000. If the Millennium Bug does strike everyone down, the insurance companies will merely say, "Well, it's only AD1900 – we would be very glad to shell out, but we don't have to pay you for another 100 years yet!"

Not even an insurance company would have that check...

Dr Pinkerton writes: Do you want to bet? And of course, if they do have to pay out, they will plead inability due to all their computers having crashed.

So you really think it's all going to happen as predicted?

Dr Pinkerton writes: Well, yes, but not quite as predicted. What nobody has quite realised yet is that Millennium Night threatens to be the most active in the history of the world. Non-stop parties, jetting around, travelling to exotic places – all the things that need air traffic control, ticketing, electricity, TV channels going full blast – in fact all the things that are going to go crash on the night of 31 December 1999.

So you foresee a complete collapse of the system, with everyone stranded away from home in a foreign hotel?

Dr Pinkerton writes: No, as a matter of fact, I don't. I foresee quite the opposite. I foresee a new Millennium Panic, a sort of fear of the end of the world, in which all but the bravest will cancel their travel plans to go to New Zealand or wherever, for fear of being trapped there for the rest of their lives and will stay within walking distance of where they live.

So the Millennium Bug will cause a Millennium Panic which will cause a Millennium Stay at Home Stampede.

Dr Pinkerton writes: That's it. Sell airline shares – buy takeaway pizza shares! But won't all the microwaves in our homes also collapse with the Millennium Bug?

Dr Pinkerton writes: I am no expert on microwave cookers but I find it hard to believe that they have the year and century coded into their circuits, so they will avoid the Millennium Bug.

Do you want to avoid the Millennium Bug? Send now for Dr Erasmus Pinkerton's booklet "How to Transfer your Database on to your Microwave Cooker".



## When a high pound is inevitable, relax and enjoy



HAMISH  
McRAE

### ON THE RISE AND RISE OF STERLING

WE SLUNK into our corners and licked our wounds when sterling was heaved out of the ERM, so why aren't we crowing now that the pound is soaring back up above its old ERM level? Why are we not crowing about the even more remarkable fact that the British stock market is now worth more than the Japanese?

The obvious reply to the first question is that for some parts of the economy - manufacturing exporters in particular - the strong pound is making life very tough. But this undoubted pressure has not stopped a German company paying over the odds for a well-known British motor manufacturer called Rolls-Royce. It has not stopped shares on the London market from bouncing around close to their all-time record. And it has not stopped the investors who continue to pile into our currency - helping push the overall value of London above Tokyo.

Sterling's new-found status as a safe haven, a calm solid asset in an uncertain world, may seem a bit odd to those of us who recall the days when the pound was worth \$2.80. But the current status does raise some profound questions - like "why?", "how long will it stay up?" and "does it really matter?"

For the answer to the "why?", I spoke yesterday with a wise New York banker, who seems to spend his life going round the globe telling the world's rich where to put their money, and who happened to be passing through London. The gist of his reply was this:

There were, he said, very few parts of call. The world is awash with liquidity, and most investors were full of dollar assets and wanted to diversify their risks. European currencies? Well, all the uncertainty about the Euro certainly damped enthusiasm, but in any case Europe was seen as an equity play, not a currency one. Everyone expected there to be a wave of mergers and take-overs as companies reorganised themselves in preparation for EMU. In two years the euphoria would be over, as the inevitable downsizings followed, but for now you bought European shares. On the other hand, if you wanted to park money somewhere you did that in sterling because that was where there was a decent yield.

This may not seem a very flattering reason for investing in sterling, but I don't think many of us expected foreign money to come in because of the delights of Cool Britannia. The fact that we have a competent government and a vigorous private sector is taken pretty much for granted, which in itself is a remarkable change from 20 years ago. But the undoubted appeal of sterling is largely the result of relatively high short-term interest rates in a world where rates generally are very low.

This would suggest that the strength is

a short-term phenomenon and that sterling's present level is unsustainable. That would be the mainstream view and my American banker did reckon that things felt "a bit overblown". But there is a substantial minority view that the pound will remain pretty strong for quite a while yet. The high interest rates which are buoying it up are not an artificial prop, but rather a necessary response to a strongly-growing economy. Some day the economy will turn down and we will get lower interest rates, but I'm not sure that situation will be widely welcomed when it comes. Meanwhile the prospect is for higher rates still, for the economy carries on a brisk canter.

Even when the down-turn in rates starts, whenever that may be, it is perfectly plausible that sterling will remain a strong currency. In fact, assuming we keep it, the pound may remain fundamentally strong for a generation or more. That would seem to be the only safe assumption that our exporters should make, and accordingly they should plan to adapt to cope.

That leads to the "does it matter?" question. The manufacturing lobby is well-organised and has had no difficulty in making its fears heard. But manufacturing is only a small portion of the economy - about one-fifth. The other four-fifths tend to benefit when the pound is strong: we gain from lower prices, cheaper holidays, a generally higher standard of living. Were sterling absurdly high there would be a genuine cause for alarm, but at the moment UK wage costs are still considerably lower than those in France and Germany, so we cannot be that far out of line.

Some wise UK manufacturers actually welcome the strong pound. I was talking with an American executive the other day about the firm's UK subsidiary. The great advantage of the strong pound, he said, was that

**Sterling is a safe haven,  
a calm solid asset in  
an uncertain world**

it forced the local UK management to bring in all sorts of measures to improve efficiency that head office wanted and it had previously been resisting. Why didn't you force them, I asked. Well, we couldn't because the pound was so low that, even with the inefficiencies, they were still making excellent profits, he replied.

This need to maintain discipline over costs is the greatest benefit that a strong currency provides. Gordon Brown pointed out in his budget speech the need to lift UK productivity to the levels of the best in the world. The crucial element in lifting productivity in Germany and Japan has been the relative strength of the currency, forcing any company wanting to export to use its largest input, labour, as efficiently as possible. Our exporters, by contrast, tended to be bailed out by successive devaluations of the pound. The surge of sterling in the early 1990s started the process whereby British companies were forced to begin to narrow the productivity gap, but as the Chancellor acknowledged there is still some way to go.

So we've got to learn to live with high exchange rates. There's not much the Chancellor or the Bank can do to bring the pound down for now, and anyway it's a consequence of our buoyant economy. So what should we do? I suggest we enjoy it. I'm off abroad next week, and I intend to do so.

## Alastair Campbell - Blair's virtuous thug and now a key Tory target



ANDREW  
MARR

### ON THE PM'S SPOKESMAN

"I'M THE master now." That is the charge against Alastair Campbell, Tony Blair's press secretary and suddenly the new hate figure for half the media and most of the Conservative Party. He has been accused of being a swaggering bully, a liar and a sinister influence in politics. After Peter Mandelson and Derry Irvine, it's Campbell-kicking time.

The Prime Minister himself will be unworried. He knows that Campbell is blamed for his own success. Like the others, he is a target for people who haven't yet worked out how to go for Blair himself.

Blair knows too that in an era of media-driven politics a successful leader needs to be thought sympathetic, friendly, decent; and therefore needs to employ a nasty cop to get certain things done. Blair is a brilliant wooer and butterer-up. If there's a prickly colleague to be won round for the greater good, or a difficult journalist to be neutralised, he's your man. But if, on the other hand, a minister needs to be whacked or it's phone-slaming time for the editor of *The Daily Beast*, then Campbell goes to work.

It is, in short, Alastair Campbell's fate and calling to be PC Nasty to Blair's Inspector Nice - the scowl behind New Labour's smile. It is a calling that he embraces with characteristic gusto. He has all the necessary qualities: a thick hide, a rough tongue and a bottomless supply of loyalty.

MPs should not, however, mistake the game that is being played here. Blair has a range of people around him who do the mucky stuff, and deflect criticism that would otherwise land on the Prime Minister. It was, for instance, Blair who made the decisions on the Dome - yet this is rarely mentioned, and it is Mandelson who will get any blame. It was Blair who put Derry Irvine in the position of chief knocker-together of heads on key Cabinet committees; yet the ministers with stinging headlines blame the impetuous Lord Chancellor, not emotive and sympathetic Tony.

Similarly, in the recent case



The heat is on Alastair Campbell, the PM's press secretary; but is he just the fall guy?

Photograph: Reuters

where Campbell was found having written furious finger-wagging letters to Frank Field and Harriet Harman, it was Blair's fury that was behind the exchanges. He had tried to stop briefing and counter-briefing on welfare, which was damaging his pre-Budget strategy. Only when he failed did Campbell supply the rhetoric.

The most potent and difficult problem is over Blair's close relationship with Murdoch. Again, though, whatever you think of that - and I think it stinks - then you must blame the Prime Minister, not his press secretary. Campbell is close to *Sun* journalists and was heavily

We can speculate endlessly and enjoyably on that relationship. Unless his views have changed a lot, Campbell is probably a populist and mildly Old Labour influence on Blair. I have a shrewd idea of his feelings about some ministers. But until he publishes a fat volume of memoirs, in the 2010s, we won't really know.

In the meantime, we can at least begin to measure him against his two best-known predecessors, Joe Haines in the Wilson era and Bernard Ingham in the Thatcher years. Both are men Campbell admires; yet he is already a bigger figure than either of them.

ham, Campbell speaks fluent Anglo-Saxon and has a short fuse. (We shouldn't, by the way, have any time for journalistic whining on this score. Any self-respecting hack should simply get out the Anglo-Saxon phrase book, and pour it back. Did that nasty Alastair Campbell call oo a dickhead then? Diddums!)

As with Ingham, "press secretary" is a grossly inadequate term for Campbell. He is Blair's chosen instrument of discipline in a highly disciplined government: his power rubs up against some of the biggest names and egos in the administration. That hasn't helped his popularity. But if ministers leak or brief against

marked Ingham's period. Ingham's unattributable briefings felt like anonymous knives in the back for those Tories on the receiving end; and that nasty courier-politics was one reason for *The Independent* boycotting and subverting the lobby system when we first launched in 1986. Campbell, by contrast, has abolished the unattributable briefings which were the main daily method of spreading poison. He speaks on the record. He doesn't, in my experience, play games.

And is he guilty of manufacturing news? Well of packaging it, certainly: the appetite for stories is constantly accelerating and needs feeding, particularly at the weekend, with low-fibre, high-fat munched stories in brightly-coloured cartoons. It is part of Campbell's job to supply that need; because if Number 10 doesn't, its enemies will. I suspect he often feels less like a control freak than a fast-food operative, hurling late-night stories at a queue of ravenous sicks.

So he's powerful, rude and committed. Whatever the opposite of Luvvie is, that's Campbell. He's tribal. He enjoys his power. Of all the arguments I've had with New Labourites, none has been as spectacularly angry as with him.

But he is Blair's true instrument. And he doesn't lie. And he isn't sinister. So if you don't like New Labour's tunes, complain to the management. Don't shoot the pianist (or in this case the bagpiper).

**It is his fate and calling to be PC Nasty to the Prime Minister's  
Inspector Nice - the scowl behind New Labour's smile**

ly involved in the pre-election strategy of trying to win Murdoch over - the strategy which went too far and is now, in government, becoming an embarrassment. But that was, in the end, Blair's strategy, not Campbell's.

I am not trying to suggest, of course, that Campbell isn't hugely influential. He is probably Tony Blair's closest friend. There's no point in complaining that he is uneducated: that is partly why he is so close. He has no constituency to nurse, no ambitions or interests distinct from those of the Prime Minister. Every leader needs an absolutely reliable, private friend with whom to discuss his innermost thoughts. All the signs are that Blair's is Campbell.

Haines has mildly chastised Campbell for being too public a figure. It is true that he's not exactly camera-shy and can be seen regularly at Blair's elbow, like a particularly menacing American presidential security guard.

Yet things have changed since Haines's day. Campbell was faded to be famous, or infamous, from the day he agreed to work with Blair. He was already a colourful and well-known journalist, a good, vivid broadcaster, an occasional pugilist and a skilful bagpiper. Given that, the omnipresent cameras would have made Campbell a public figure unless he hid in his office all day.

Ingham is perhaps the more interesting parallel. Like Ing-

one another then, in Blair's book, they deserve to get whacked. And if, in other respects, they let Campbell trample all over them then they shouldn't be ministers in the first place. His role as Enforcer, and his friendship with Blair, make him a lot more than a press officer. He matters more to the current Prime Minister even than Sir Bernard mattered to Margaret Thatcher.

The great difference, so far, is that Campbell has avoided the semi-official destruction of ministers' authority and careers that

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## I've seen the future and it makes me smoke



SUZANNE  
MOORE  
THE RIGHTS  
OF SMOKERS

IT IS TRUE that peer-group pressure encourages smoking. After a lifetime of resistance, I finally gave in and started smoking at the age of 35. One drug, as they say, leads to another. Contrary to popular opinion, I believe that hard drugs lead inevitably to soft drugs. That's my experience anyway.

Even now, though, my habit is not properly formed. I can go for weeks without a cigarette then smoke millions in a night. My friend Deborah always complains: "You are the most crap smoker I know." But I maintain that though I am not a particularly committed smoker, I am committed to the idea of smoking.

Recent visits to California

have greatly increased my commitment. I have seen the future and it is ghastly. I felt compelled to smoke twice as much there as usual. The question, "Do you mind if I smoke?" is equivalent to saying, "May I use your children in a Satanic ritual?" Nipping into the garden is also out of the question. The great outdoors apparently belongs to everybody. Except smokers.

I have had the bizarre experience of being seated outside at a restaurant in order to abuse myself. There were many empty tables around us. Yet, within minutes other people were seated beside us who proceeded to complain. This begs the question: who does public space actually belong to?

The arguments about passive smoking have not led, among smokers anyway, to anything resembling a resistance movement; but non-smokers have become increasingly aggressive towards anyone who they see as violating their right to clean, fresh air.

In America, of all places, where the car is king, one might presume there to be equal concern about pollution; but there isn't. In the land of individualism, the car continues to rule, because so much social and economic life is based around car ownership. Smoking, an individual activity, is regarded as profoundly anti-social.

Such attitudes are crossing the Atlantic. Tower Hamlets

Council is to try to ban its workers from smoking outside its town hall buildings. The new rules, expected to be approved next year, would mean that employees cannot smoke, in working time, inside or outside any council building or vehicle.

No-one can believe that this will stop those who smoke from smoking. I suppose it will just add an extra thrill to sneaking off for a quick fix, the very thrill that gets so many people hooked in the first place.

What is astonishing about

It is easy enough, I suppose, to divide and rule. If the world is made up of smokers (dirty, filthy, selfish types who pour fumes out into the environment) and non-smokers (clean-living saints who are considerate both of their own and others' health), then it's fine to wage a war on smokers. The majority of people, when polled, will vote to work in a smoke-free environment and I don't blame them. They want to be able to use public transport without having to encounter the stale

There is less and less smoking in confined public spaces. Outside, however, still means outside, and is therefore beyond jurisdiction. The Californian situation seems to redefine public space as only available to certain members of the public (ie, non-smokers).

Those who are really concerned about smoking - particularly the numbers of young women smoking - should pay attention. Young women smoke not just to keep their weight down but because they believe it to be "cool". Anti-smoking bodies are keen to re-educate these misguided young things so that they realise that smoking isn't actually cool. It kills you or, worse, makes you smell so bad so you cannot get a boyfriend.

Yet, the more you drive smoking underground, the cooler you make it. The coolest man I met in California was full of the joys of extra-wide Camels and regaling me with tales of how his friend David was being driven out of California because of the draconian anti-smoking legislation. David, a libertarian, had originally gone to California for the freedom and light it offered. The David, he was talking about was David Hockney.

The country that produced the civil rights movement and gay liberation once defined civil disobedience as part of political activism. Nowadays civil disobedience has been reduced to a fustian of fustian.

**What is astonishing about California is  
the passivity of the smokers. You can  
be in a bar full of Hell's Angels who  
meekly leave if they want a cigarette**

California is not that it is run by health freaks but the passivity of smokers themselves. You can be in a bar full of Hell's Angels who meekly leave the bar if they want a cigarette. On St Patrick's night, it was still hard to find an Irish bar that allowed smoking. We eventually reached a compromise, whereby we could smoke but leave no evidence. "You have to take your butts outside," said the barmen menacingly.



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FINANCIAL JOURNAL OF THE YEAR

Traders drive currency above DM3.10 as Brown insists there is no quick fix for struggling exporters

## CBI appeals to Bank as pound hits new high

By Diane Coyle  
Economics Editor

THE FINANCIAL markets took a fresh run at the pound yesterday, driving it above DM3.10 for the first time since July 1989 and sending sterling's index against a range of currencies back to its highest since the mid-1980s.

It ended at DM3.0963, from 3.0962 on Monday. The sterling index climbed 0.1 to 108.9, just beating its April 1988 peak of 108.9 to reach the highest level since late 1985, having hit 109.2 earlier in the day.

Gordon Brown insisted yesterday there was no quick fix to the problem of the strong pound. Repeating the mantra that the Government wanted a "stable and competitive pound in the medium term", the Chancellor told MPs on the Treasury select committee: "I don't believe that there is a short-term easy answer."

He said the strength of the pound was in large part a cyclical phenomenon, with the gain much stronger against European currencies than the US dollar. "This is not a time to give in to short-term pressures but to stick with the long-term view," Mr Brown said.

He said it was up to industry and the financial community as well as government to be long-termist, and made it clear that he thought the Government had done enough to contribute to stability with the tough Budgets in July and last month. "To resort to the old economics of stop-go would be the worst possible course for the British economy."

Adair Turner, director general of the CBI, accepted that

the latest Budget had been tough enough but warned that any further rise in the pound would cause serious problems for exporters.

Mr Brown's replies will redouble the focus on next week's decision on interest rates by the Bank of England's Monetary Policy Committee.

Mr Turner said: "The MPC has to take into account the impact of the strong pound on part of the economy." The CBI would like to see either no interest rate rise next week, or a rise accompanied by a clear statement that this was the peak.

Some analysts predicted the pound could easily climb another 10 pennings to above DM3.20 before falling back later in the year.

"There is no particular reason for the pound to have gone higher this week except for the fact that currency traders are pushing it," said Jonathan Lynnes at HSBC Markets.

The strength of the British economy relative to most of its trading partners, and the appeal of the pound as a safe haven from any possible EMU turbulence, are expected to underpin its current level.

The renewed surge in the currency has prompted ever more anguished complaints from exporters. Companies have pointed to the strength of sterling as the main reason for declining profits, and business organisations report anecdotal evidence that job losses will follow.

City experts do not think there is much scope for the Chancellor or the Bank of England to do anything about the pound. While some argue the Budget should have been

tougher, to remove the pressure for higher interest rates, there are no fresh steps Mr Brown can take.

Ruth Lea, head of policy at the Institute of Directors, agreed: "We have to wait for economic events to take their course. The pound is likely to stay pretty strong for six to 12 months."

The Bank's Monetary Policy Committee will meet next week to pass its verdict on interest rates. Little relief is expected from central banks overseas, with the US Federal Reserve appearing set to leave US rates unchanged last night and the Bundesbank expected to do the same later in the week.

Business is unanimous in urging the MPC not to raise UK rates any further, while the Treasury has been keen for it to get any necessary increase over with, so that it can signal to the markets that the peak has been reached.

Since January the committee has been split over whether or not the cost of borrowing should rise. Eddie George, the Bank's Governor, used his casting vote to keep them unchanged in February, the latest month for which minutes have been published.

Since last month there has been no evidence on the economy to tip the balance decisively one way or the other. While the signs are that growth is slowing, it is not clear that it is slowing fast enough to keep the lid on pay and inflationary pressures.

Evidence on pay settlements is coming under close scrutiny. If wage increases do stabilise, the risk of a final interest rate rise to keep inflation on target will probably be averted.

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Over a barrel: Highland Distilleries, maker of Famous Grouse and Macallan, said the pound would wipe £1m off profits

## Strength of sterling gives the whisky business a headache

By Andrew Yates and Lea Paterson

THREE more companies yesterday joined the growing ranks of firms whose profits have been hit by the strength of sterling.

Highland Distilleries, Jefferson Smurfit and Hepworth all admitted the pound had taken its toll on their UK operations.

Jefferson Smurfit, the Irish paper and packaging group, confirmed it was to cut its UK workforce following protracted UK difficulties. Dermot Smurfit, deputy chairman, said: "We would much prefer to see a weaker currency. It is not only hurting our business, it is hurting our customers' businesses too."

Mr Smurfit declined to provide details of the likely scale of UK job cuts, but analysts believe hundreds of jobs could be at risk. Jefferson Smurfit's profits fell 30 per

cent to IR£139m (£113m) in the year to December. Profits were hit not only by sterling's strength - which affected only the group's UK business - but also by depressed prices resulting from industry over-capacity. However, the group expects prices to recover in 1998.

Mr Smurfit said the company was on the acquisition trail, but would return capital to shareholders in the absence of value-adding acquisitions.

Highland Distilleries, which makes Famous Grouse and Macallan whisky, said the strong pound would wipe £1m of its profits as it attempts to expand its sales abroad. The rising pound limited the rise in group's profits to just one per cent to £25.1m in the six months to February. At constant rates the group's operating profit would have risen by 11 per cent.

Highland Distilleries has launched a multi-million pound global advertising campaign in an attempt to counter the damaging effects of sterling's strength and the slump in the UK whisky market. It plans to increase its advertising budget by 15 per cent this year and has employed agency Abbot Mead Vickers to devise a series of television commercials starring the grouse featured on the whisky bottles.

The group, which plans to change its name to Highland Distillers, warned the British whisky market would continue to be difficult for some time.

The strong pound also knocked £10m off profits at Hepworth, the heating group which makes Glow-Worm boilers. The damage was largely felt on the translation of profits at its French heating subsidiary, Saunier Duval.

## Drug tie-up boosts biotech group

By Andrew Yates

THE EXTREME volatility of the drug and biotechnology sectors was thrown into sharp focus yesterday.

Shares in Chiroscience, the biotechnology group, soared 60p to 323.5p - a 23 per cent surge - as it unveiled one of Europe's biggest ever drug tie-ups. In marked contrast Smith & Nephew, the UK's largest healthcare group, admitted the development of Dermagraft, its skin grafting treatment which uses human tissue from the foreskin of circumcised babies, had met with problems in the US which sent its shares tumbling 12p to 166p.

Chiroscience expects to receive at least £200m in payments and royalties from Zeneca, the pharmaceutical giant, for developing Chirocaine, a local anaesthetic. Zeneca is also buying £15m worth of new Chiroscience shares, giving it a holding of just over 3 per cent in the biotech group.

Chirocaine lasts much longer than other local anaesthetics currently on the market, and can be used to numb areas of the body for up to 48 hours at a time. Patients will soon be able to undergo operations such as hip replacements using the new treatment rather than having to be rendered unconscious by a general anaesthetic. Chiroscience believes this will save the medical industry many millions of pounds by reducing the time patients will have to stay in hospital.

Dr John Padfield, chief executive of Chiroscience, said that the market for such local anaesthetics was growing rapidly and predicted that Chirocaine was likely to have peak sales of £250m a year. "We will get a minimum of £200m from Zeneca but that looks like a conservative figure," he added.

Chiroscience also plans to explore ways of using Chirocaine to help reduce pain for patients after they have undergone serious operations. Chirocaine is due to be launched in Europe during 1998 and in the US next year.

Meanwhile Smith & Nephew has been forced to recall some of its Dermagraft products after a routine visit by the Federal Drugs Administration to manufacturing facilities in the US unearthed production problems. The American launch of Dermagraft is now likely to be delayed for several months.

S&N admitted that Advanced Tissue Sciences, its US partner, had not followed the right production procedures, including not documenting research or monitoring results properly.

Chris O'Donnell, the group's chief executive, admitted the findings added to the uncertainty surrounding Dermagraft but said it should not seriously damage chances of the treatment being launched in the US market later this year. "This is an annoying setback rather than a major heartache," he said. S&N has now sent three of its own employees over to sort out the problems.

S&N is the first company in the world to develop the bio-engineered skin which helps cure foot ulcers in diabetics and could eventually be used for cartilage and ligament injuries.

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## Lucky Jim nets £8.7m from EMI options

By Nigel Cope  
City Correspondent

JIM FIFIELD, the EMI executive dubbed "Lucky Jim" because of his lavish pay, received another stroke of good fortune yesterday when an options package worth £8.7m was triggered.

The share award could not have come at a more embarrassing time for EMI. The company is in negotiations with Mr Fifield to release him from his contract in a move that may cost the group another £12m. This is on top of the total pay of £7m he received last year.

One institutional investor in EMI said the company was fast becoming a laughing stock: "It has become pretty ludicrous. It seems to be complete chaos round there at the moment. All this might be OK if EMI was doing well at the moment, but it isn't."

The latest payout to Mr Fifield is the result of a "restricted share award" which was granted

in April 1993 and triggered yesterday. The award was of 1.75 million shares at zero consideration. At yesterday's closing share price of 490p, down 11p on the day, those shares are worth £8.7m. The company said it did not know whether Mr Fifield planned to cash them in.

The company declined to comment on the awkward timing, merely saying the options "were part of his contract".

On EMI shareholder said: "One wonders just what EMI were thinking of when they signed this contract. Presumably Sir Colin Southgate [the EMI chairman] was involved in the discussions. One continues to be amazed."

Details of the options have been included in the small print of EMI's annual reports since 1994. But they have been triggered just when Mr Fifield's role at EMI is the subject of heated debate. The head of EMI Music in the US, he had been tipped as a successor to Sir Colin.



Jim Fifield: Known as Lucky Jim because of pay

However, his promotion to group chief executive was blocked by the non-executive directors and he is now planning to leave. Negotiations over his release from his contract are still taking place.

Separately, directors in Unilever, the Wall's ice-cream and Persil detergents group, cashed in share options worth more than £2m last year. Iain Anderson, Unilever's strategy and technology director was the biggest beneficiary, cashing in options worth £1m. Roy Brown, head of food and beverages in Europe, exercised options worth £600,000. Christopher Jemmett, a member of Unilever's executive committee who retired last year, cashed in £537,000.

Niall FitzGerald, Unilever's chairman was the highest paid director. He received £955,296.

## OFT does U-turn as Coral deal is referred

By Andrew Yates

MARGARET Beckett, President of the Board of Trade, yesterday referred Ladbroke's £363m acquisition of the Coral betting shop chain to the Monopolies and Mergers Commission after acting on a recommendation from the Office of Fair Trading (OFT).

The controversial decision comes despite the fact that Ladbroke sought and received confidential assurances from the OFT that it would allow the deal to go ahead - before it proceeded with the acquisition.

The U-turn from the OFT came amidst growing political pressure for a full MMC inquiry from senior members of the Government. Mrs Beckett said the acquisition raised competition concerns in the off-course betting market. Ladbroke now has more than 36 per cent of the betting shop market with more than 2,600 outlets.

Peter George, chief executive of Ladbroke, said he was disappointed by the Government's decision. "Although we had preliminary contact with the Office of Fair Trading before we acquired Coral from Bass on a

conditional basis, we recognised that the transaction may be referred to the MMC," he said.

The Government could force Ladbroke to sell hundreds of betting shops to overcome monopoly concerns. Nomura, which recently bought William Hill, the Tote and Stanley Leisure, is likely to emerge as a potential buyer for sites.

The acquisition has caused concern among senior cabinet ministers. Robin Cook, the Foreign Secretary and a keen horse racing fan, has publicly voiced his worries about the deal and Alan Meale, another Labour MP, led the attack against the acquisition.

The City expected a full MMC inquiry and Ladbroke's shares rose 3.25p to 334.5p yesterday. The investigation will last until July 7.

Ladbroke had hoped to avoid an inquiry by selling 133 betting shops to the Tote to conform to the so-called "quarter-mile rule" laid down by the MMC when Meca merged with William Hill in 1989. This stipulated that a bookmaker could not have more than one shop within a 440-yard radius and was aimed at ensuring that no one was able to establish a local monopoly.

## Swift plans to hand rail routes to rivals

By Randeep Ramesh  
Transport Correspondent

FAILING rail companies could be relieved of running services in certain areas under radical plans put forward by the rail regulator yesterday. John Swift QC, the industry regulator, watered down proposals for even greater competition and head-on battles between rail companies and instead plumped for tightening his grip on the rail network.

Next year's winter timetable will allow train companies to apply to run a rival's services - if Mr Swift considers they are failing to meet adequately their customers' demands.

The new policy will allow up to 20 per cent of a train operator's revenue to be "up for grabs" by rival companies in 1999. More competition could follow if Mr Swift's plans are a success - with a review of the system pencilled in for 2002.

Mr Swift did not give a definition of a "failing service" but the regulator has considerable control over track access charges and timetabling. Mr Swift said the policy would place "additional incentives" on train companies to "achieve

and maintain greater benefits for passengers through improved services or lower fares".

At present, train operators enjoy complete protection within their franchise area under track access agreements with Railtrack. There should be little new cost to the taxpayer, according to Mr Swift. "I expect this policy to lead to the introduction of new services such as airport links, services to new developments, to shopping and leisure centres, and park and ride sites, and cross-regional services."

Some train companies have privately voiced their concerns. Connex - which runs two large franchises in the South-east - has made it clear it would prefer no competition. Last year Connex South Central dropped 300 trains from its timetable - at the time many experts said another company should have stepped in to run the service.

Some companies have already launched competing services. The route between London and Peterborough is served by both GNER and WAGN, which last year bought out a "dedicated" annual season ticket for £1,000 less than GNER's.

## STOCK MARKETS

| Index          | Close    | Change | Change % | 52 wk high | 52 wk low | Yield % |
|----------------|----------|--------|----------|------------|-----------|---------|
| FTSE 100       | 5932.30  | 10.40  | 0.18     | 6105.80    | 4189.10   | 3.42    |
| FTSE 250       | 5515.40  | -3.40  | -0.15    | 5544.40    | 4354.30   | 2.99    |
| FTSE 350       | 2852.30  | 3.10   | 0.11     | 2917.00    | 2078.10   | 3.34    |
| FTSE All Share | 2781.65  | 2.57   | 0.09     | 2836.17    | 2056.07   | 3.32    |
| FTSE SmallCap  | 2628.50  | -2.90  | -0.15    | 2638.00    | 2192.10   | 2.88    |
| FTSE AIM       | 1065.10  | 0.00   | 0.00     | 1095.10    | 965.90    | 1.05    |
| Dow Jones      | 8859.35  | 39.35  | 0.45     | 8959.24    | 6356.78   | 1.59    |
| Nikkei         | 18627.11 | 264.13 | 1.43     | 20810.79   | 14386.21  | 0.97    |
| Hang Seng      | 11518.68 | 14.92  | 0.13     | 16820.31   | 7908.13   | 3.51    |
| Dax            | 5172.05  | 92.59  | 1.85     | 5100.19    | 3192.53   | 1.98    |

## INTEREST RATES

| Index   | 3 month | 1 yr | 2 yr | 5 yr | 10 yr | Long bond | 1 yr |
|---------|---------|------|------|------|-------|-----------|------|
| UK      | 7.61    | 7.24 | 7.31 | 7.31 | 7.31  | 7.31      | 7.31 |
| US      | 6.71    | 6.70 | 6.72 | 6.72 | 6.72  | 6.72      | 6.72 |
| Japan   | 5.11    | 5.11 | 5.11 | 5.11 | 5.11  | 5.11      | 5.11 |
| Germany | 5.22    | 5.22 | 5.22 | 5.22 | 5.22  | 5.22      | 5.22 |

## CURRENCIES

# CURRENCIES

| Month | Value |
|-------|-------|
| Jan   | 1.630 |
| Feb   | 1.640 |
| Mar   | 1.680 |
| Apr   | 1.650 |
| May   | 1.640 |
| Jun   | 1.630 |
| Jul   | 1.620 |
| Aug   | 1.610 |
| Sep   | 1.600 |
| Oct   | 1.590 |
| Nov   | 1.580 |
| Dec   | 1.570 |

| Month | Value |
|-------|-------|
| Jan   | 3.000 |
| Feb   | 3.010 |
| Mar   | 3.020 |
| Apr   | 3.030 |
| May   | 3.040 |
| Jun   | 3.050 |
| Jul   | 3.060 |
| Aug   | 3.070 |
| Sep   | 3.080 |
| Oct   | 3.090 |
| Nov   | 3.100 |
| Dec   | 3.110 |

| Month | Value |
|-------|-------|
| Jan   | 1.500 |
| Feb   | 1.510 |
| Mar   | 1.520 |
| Apr   | 1.530 |
| May   | 1.540 |
| Jun   | 1.550 |
| Jul   | 1.560 |
| Aug   | 1.570 |
| Sep   | 1.580 |
| Oct   | 1.590 |
| Nov   | 1.600 |
| Dec   | 1.610 |

| Found   |        |        |        | Dollar  |        |        |        |
|---------|--------|--------|--------|---------|--------|--------|--------|
|         | at 5pm | Change | Yr Ago |         | at 5pm | Change | Yr Ago |
| Dollar  | 1.6771 | -0.17c | 1.6488 | Swiss   | 0.5963 | +0.05p | 0.6120 |
| DM      | 3.0660 | -0.05p | 2.7522 | DM      | 1.8478 | +0.28p | 1.6714 |
| Yen     | 223.34 | +¥1.66 | 292.08 | Yen     | 183.28 | +¥1.12 | 123.79 |
| £ index | 108.70 | +0.00  | 98.00  | £ index | 110.36 | 0.00   | 104.90 |

## OTHER INDICATORS

|             | Index  | at 1pm | Change | % | Index      | at 1pm | Change | %      |     |
|-------------|--------|--------|--------|---|------------|--------|--------|--------|-----|
| Bond (D US) | 13.85  | -0.85  | 18.58  |   | Gold       | 114.10 | 0.80   | 110.68 | Feb |
| Govt (D US) | 301.25 | -0.75  | 251.75 |   | Oil        | 160.93 | 0.40   | 155.03 | Feb |
| Silver (SI) | 6.35   | 0.00   | 5.15   |   | Base Rates | 7.25   | 0.00   |        |     |

www.bloomberg.com/uk source: Bloomberg

## TOURIST RATES

|                     |        |                       |         |
|---------------------|--------|-----------------------|---------|
| Australia (\$)      | 2.4990 | Malaysia (ringgit)    | 5.8946  |
| Austria (schilling) | 21.15  | Malta (lira)          | 0.6459  |
| Belgium (franc)     | 62.18  | Netherlands (guilder) | 3.3723  |
| Canada (\$)         | 2.3208 | New Zealand (\$)      | 2.9773  |
| Cyprus (pound)      | 0.8779 | Norway (krone)        | 12.47   |
| Denmark (krone)     | 11.54  | Portugal (escudo)     | 305.74  |
| Finland (markka)    | 9.2070 | Saudi Arabia (rial)   | 6.0787  |
| France (franc)      | 10.08  | Singapore (\$)        | 2.5738  |
| Germany (mark)      | 3.0202 | Spain (peseta)        | 254.38  |
| Greece (drachma)    | 515.55 | South Africa (rand)   | 8.0497  |
| Hong Kong (\$)      | 12.57  | Sweden (krona)        | 6.07    |
| Ireland (punt)      | 1.1962 | Switzerland (franc)   | 2.4961  |
| Israel (shekel)     | 5.5464 | Thailand (baht)       | 58.60   |
| Italy (lira)        | 2.982  | Turkey (lira)         | 388.949 |
| Japan (yen)         | 219.57 | USA (\$)              | 1.6500  |

Source: Thomas Cook  
Rates for indication purposes only





## OUTLOOK ON THE PROBLEM OF THE SOARING POUND, THE BATTLE FOR ROLLS-ROYCE AND PLANS FOR COMPETITION ON THE RAILWAYS

# Meddling with interest rates is not the answer

Somebody do something! Exporters want to see action on the pound, and the higher it goes, the more they are turning up the pressure on their trade organisations and their MPs to get results. The ultimate recipients of this cascade of lobbying, Gordon Brown and the members of the MPC, must be wishing there is something they could do. But they can't - or at least, not much.

The reason lies in the explanations for the pound's rise. Sterling has been driven partly by the divergence between the strong British and weak European economies, just as the dollar has been driven up by the strength of the US economy. Not only are interest rates higher in Britain than elsewhere in Europe for cyclical reasons, they are also likely to remain higher as long as the UK remains outside Ecu. So relative yields favour sterling, and will do for some time.

On top of that, there is a safe haven effect. The Euro is an unknown quantity, investors are unsure how tough the European Central Bank will be, and there might yet be some market turbulence affecting the Ecu currencies.

Add to that the froth that financial markets always lavish on a one-way bet, and there is no earthly reason for traders to do anything other than bid the pound higher. A change in market sentiment is some months away, and will probably need a trigger like decisive signs of strong growth in Germany, or the start of a downturn in the US economy.

Can the MPC alter this by leaving or even cutting interest rates? Almost certainly

not, as the market judgement concerns the underlying state of the economy rather than the Bank's reaction. Unchanged or lower rates would still leave yields in the UK at a very attractive level, and could backfire if the markets decided it would give a new spirit to the economy's pace of growth.

Could Mr Brown have made things better with a tougher Budget? Probably not. Not only has his fiscal policy been pretty tough anyway, it is too blunt an instrument for fine-tuning the economy. Higher taxes on consumers announced in March would hammer spending too late to make any difference, never mind breaking the Government's political pledges.

The Government has also ruled out for the time being the one step that would make a big difference to sterling, namely joining the single currency at an early date. This would have been the best way to remove exporters' sterling headaches, and to do it permanently.

There are some tactical steps left that might help a bit. The Bank of England could announce next week that interest rates are on hold for the foreseeable future, as it did in August - as long as the members of the MPC have reached this conclusion. The Government could decide to intervene in the foreign currency markets, sending a signal about its views on the exchange rate by selling sterling. This might have a symbolic effect that would remove some of the speculative froth.

But the inescapable conclusion is that the economy is where it is and isn't going to get anywhere else very quickly. The time for

somebody to do something was before the election when Kenneth Clarke should have raised interest rates to cool growth to a sustainable pace. Mr Brown and the MPC should ignore the chorus of complaint and keep their eyes fixed on the right policies for the economy next year and the year beyond.

## Germans in hot pursuit of Rolls

The spectacle of BMW and Volkswagen negotiating one another as they roar down the autobahn in hot pursuit of Rolls-Royce is entertaining for Vickers shareholders if nothing else. Certainly their respective drivers lack neither determination nor ambition.

BMW's Bernd Pischetsrieder had a fit of road rage when placed little Mayflower threatened to wreck his plans by bidding for the whole of Vickers. Mayflower quickly withdrew after BMW said it would have to find another engine supplier if the bid succeeded.

Meanwhile, petrol not blood, is said to course around the veins of VW's Ferdinand Piech. Having weathered the Lopez industrial espionage scandal and turned around VW and all its other brands including Skoda, Mr Piech fancies his chances at the more rarified end of the market.

For both companies buying Rolls off the shelf is a lot less expensive a proposition than developing their own luxury brands, not to mention the fact that they start with a priceless brand name.

BMW has been in the driving seat in

this auction since the beginning and not just because Mr Pischetsrieder has a sentimental attachment to British brand names bordering on the unhealthy.

Whether VW will outmanoeuvre BMW therefore remains to be seen. Its initial interest in Rolls was seen partly as an attempt to make last autumn's ill-judged DMfn capital increase a more palatable issue for VW shareholders to swallow. VW and Mr "I" would pay almost any price.

Piech may now simply be driving up the figure that BMW is finally obliged to pay.

But do not bet on it. The Piech ambition is every bit a match for the Pischetsrieder passion - he does not own a 50-year old Phantom II by chance.

Faced with a higher bid from VW, the Vickers board would be hard pressed to ignore it as they have the offers submitted by groups of Rolls-Royce enthusiasts. BMW could always try playing its trump card by getting its aero-engine partner, Rolls-Royce plc, to use its power of veto over the transfer of the brand name. But, again, it would be hard pushed to argue, in the courts or anywhere else, that VW would be less appropriate as an owner than BMW. Meanwhile Vickers shareholders should sit back and enjoy the race.

## How will this rail rivalry work?

The deregulation of the bus industry had an interesting impact on behaviour. In some parts of the country it became com-

monplace to see rival operators leapfrogging one another's services in order to get to the bus stop first. Good news for passengers. Bad news for road safety campaigners.

Now the rail regulator is planning something similar for the train operating companies, except of course that trains cannot overtake one another quite like buses.

From September next year up to 20 per cent of the revenues that the current franchisees earn will be open to competition. Not real competition in the sense of two rival operators vying for the same passengers. In fact it would be better to call it substitution. Those operators who are making a poor fist of running a particular service will find it taken away and reallocated.

Details of how this will work are hazy. First the regulator will have to define what constitutes a "failing service". Then he will have to decide what to do with point to point franchises like the Gatwick Express where it will be difficult to reallocate only a portion of the route.

If the regulator does nothing more than ensure the train operating companies improve their most profitable routes sufficiently to hang onto them, then he will argue the exercise has been a success.

But the railways are an industry where the physical limits of the infrastructure make real competition well nigh impossible. The time to have extracted maximum benefit for passengers was when the franchisees were first let. But that is another story.

# Rolls sale in doubt as VW 'trumps' £340m BMW bid

By Michael Harrison

THE FUTURE ownership of Rolls-Royce was thrown wide open again yesterday after it emerged Volkswagen might be preparing to trump the agreed £340m offer for the luxury car maker tabled by its German rival BMW on Monday.

According to reports circulating in Germany, the VW chairman Ferdinand Piech is prepared to pay "almost any price" for Rolls. Today's edition of the German newspaper *Bild* even claims that VW filed an improved offer on Monday worth 1.7bn German marks (£550m).

VW refused to comment and Vickers, Rolls' parent company, said it was "very happy" with the agreement in principle signed with BMW, which also

owns Rover. "It offered the best deal for shareholders and for the long-term future of the company," a spokeswoman said.

But Vickers made clear it had not closed the door altogether on rival higher offers, adding: "We will continue to manage the sale process in the best interests of shareholders."

Vickers has agreed to give BMW a four-week period of exclusivity to finalise the terms of the deal. It has undertaken not to consider any other bids during that period. But if it is clear VW would pay a higher price, Vickers would expect that to be reflected in its negotiations with BMW.

Bernad Pischetsrieder, the chairman of BMW, accepted yesterday that it might be outbid but said he would make only one offer for Rolls. Speaking at

the group's annual results press conference in Frankfurt, Mr Pischetsrieder said: "I cannot rule out that others make further, higher offers. It is possible."

*Bild* says today that VW's original offer was worth DM1.5bn and that it was prepared to increase this by DM200m. VW is also reported to have offered to buy Vickers' specialist engine business, Cosworth.

Sources close to Vickers said VW's initial bid was slightly more than £300m and that the DM1.5bn (£484m) figure quoted in Germany included proposed investment in the business. They also insisted that no formal increased offer was received from VW on Monday although it might have made contact with Vickers' financial advisers, Lazards.

BMW, the front-runner to acquire Rolls ever since Vickers put the business up for auction last autumn, has pledged to invest £1bn in the Rolls and Bentley marques over the next decade, double the workforce at Crewe and triple output. Part of its plans includes production of a Bentley sports car.

Speaking yesterday, Mr Pischetsrieder said: "There could be a few surprises coming from Crewe." He also reiterated BMW's commitment to Crewe, stressing that the business would retain its local identity and would have a British-style board with non-executive directors.

Vickers is due to seek shareholder approval for the sale at an extraordinary meeting in May. The board is certain to face hostile questioning from a

group of Rolls owners whose bid for the company was rejected. The Rolls-Royce Acquisition Consortium is chaired by Kevin Morley, former marketing director of Rover. Donald Longmore, secretary of the consortium, has accused BMW of conducting a "rape of British industry".

But Mr Pischetsrieder said: "Historically, there have hardly been any occasions where shareholders took a different decision from the board."

The news that BMW had won Vickers' backing for Rolls-Royce threatened to put pressure on fellow German car makers to follow suit with their own luxury limousines, raising worries about overcapacity in the market segment.

Outlook, this page

## Rover makes first profit since takeover

ROVER made an operating profit last year for the first time since being taken over by BMW of Germany in 1994, writes Michael Harrison. However, its chairman Dr Walter Hasselkus warned the strong pound would hit its performance this year.

The operating profit of £31m in 1997 compares with a loss of £29m the previous year. On a German accounting basis Rover made a bottom line loss after depreciation and interest charges of £91m in 1997 compared with a loss of £119m in 1996 and £158m in 1995.

The losses reflect BMW's high level of investment in Rover. Since 1994 it has injected more than £2bn, created 4,000 jobs, launched five new models - Range Rover, MGR, Rover 200, Rover 400 and Freelander - and raised output by 20 per cent.

## CIA looks to US as talks with advertising giant end

CIA, the media buying group, yesterday said it had held talks with WPP, the advertising giant which owns 14 per cent of its shares, but that they had not led anywhere. Chris Ingram, chairman, said: "There have been conversations but at the end of the day we did not see any scenarios which brought mutual benefit." He said CIA was looking to strengthen its business in the US through acquisitions or joint ventures with large advertising groups. CIA shares closed up 3p at 203p.

## GWR broadcasts warning

GWR, the radio group, yesterday warned a shortfall in advertising revenues at Classic FM, its classical music station, had held back profits for the year to March. Ralph Bernerd, the chief executive, said a change of sales director just before Christmas had led to the station, which accounts for 30 per cent of the group, taking £1.5m less in revenues than expected. He said the station would still make full-year profits over £4m - the first in its history. The shares slipped 14p to 178.5p.

## 'Euro-regulator' idea panned

EUROPE's telecoms and television firms should continue to be controlled by national bodies rather than a "Euro-regulator", Don Cruickshank, the outgoing director-general of telecoms watchdog Ofcom, said yesterday. Mr Cruickshank has advocated existing regulators be scrapped and replaced with bodies controlling the structure and content of all telecom, television and computer firms. Mr Cruickshank said it would be "unhelpful and impractical to have a single Euro-regulator taking decisions on important cultural issues like public service broadcasting and 'taste and decency' issues."

## RAP's chief executive quits

DAVID EMMETT has quit as chief executive of RAP Group, the rubber products company. According to a company spokesman, "excess stock" was discovered at RAP's Midlands operation. Mr Emmett, who had been with the company for 17 years, was chairman and chief executive of RAP during the recent drastic decline in stock prices which saw values drop from approximately 130p two years ago, to 30p this month. Its shares closed yesterday at 32.5p, down 2p. The company issued a statement on 24 March stating that "additional provisions may be requested" in light of the Midlands discoveries.

## New name for 7-11 stores

BUDGENS is rebranding the 7-11 convenience stores under the new name B2 from 9 April. Budgens paid £5.8m for the 57-strong chain last October and is spending around £500,000 on the new look. It is also introducing a new format with more emphasis on fresh food such as ready-made meals, bakery and fresh produce. The 7-11 stores outside the M25 will be converted to the Budgens format at a later date.

## LucasVarity to supply GM

LUCASVARITY, the automotive and aerospace group, has signed a contract with General Motors to provide anti-locking brakes and other safety features for some passenger cars. The group has a £1bn war chest to spend on acquisitions after concluding the sale of Varity Perkins, its diesel engine business, but disappointed the market by failing to announce any new deal. The group unveiled a sharp rise in final-quarter underlying operating profits to £92m (£60m) bringing profits for the year to January to £329m (£277m).

## Former Pru chief receives £1.3m

By Andrew Verity

JIM SUTCLIFFE, the former chief executive of Prudential's UK operations, received more than £1.3m in pay and benefits in his final year - despite presiding over "deep-seated and long-standing management failures" in the pension mis-selling area.

Prudential yesterday revealed that Mr Sutcliffe, who resigned in September after a sharp disagreement with group chief executive, Sir Peter Davis, was paid £359,000 in salary, bonus and benefits. He realised £539,000 by exercising share options and received a share award worth £98,000.

Prudential paid Mr Sutcliffe a further £343,000 in compensation for loss of office, making £1,339,000. It also paid an unspecified amount to top up his pension, entitling him to £101,000 a year if he retires at 60.

The Pru, Britain's largest insurance company, was severely criticised twice last year by City regulators for falling substantially below the standards expected of a regulated firm, mainly for failures in com-

pensating victims of pension mis-selling.

Mr Sutcliffe was chief executive of Prudential's UK operations at the time when the Financial Services Authority said the company failed to remedy grave defects in the operation of its sales force, which it had already been warned about. Among other failings, the company overlooked 8,000 victims of mis-selling because they had retired or died since the Pru was first asked to review their cases, in 1994.

In December, the FSA attacked the Pru for a "cultural disposition against compliance [with the Financial Services Act] which filtered through Prudential's branch offices, their managers and advisers". The company's management had failed to put in place proper controls to protect investors, the FSA said.

Mr Sutcliffe was paid more than the Pru's group chief executive. Sir Peter's pay rose last year to £665m from £621m. The Pru also made pension contributions worth more than £139,000 on Sir Peter's behalf.

## College girls' Fantasy Budget was close to the real thing



The names Rosalind Spencer, Emma Whiting and Suzanne Lord will probably not mean anything to the Chancellor. But perhaps he should think about recruiting them into a Treasury think-tank. The all-female team from Guxthaxton College, Wigston, Leicester, pictured here with Dawn Primarolo, Financial Secretary to the Treasury, are the winners of this year's Fantasy Budget competition organised by Bournemouth University. Their entry, sent in well before Gordon Brown stood up

at the despatch box on 17 March, recommended the abolition of road tax and an increase in petrol duties, the introduction of a childcare support system and a carbon tax. And what did Mr Brown announce? Higher petrol duties, a cut in road taxes for fuel-efficient cars, tax breaks for working mums and a review of the taxation of industrial energy use. Ed Balls, the Chancellor's economic adviser, had better watch out.

Photograph: Nicola Kurtz

## Horlick unit trust takes off slowly

By Andrew Verity

NICOLA HORLICK, the City fund manager nicknamed "superwoman", has disappointed the City with her newly launched unit trust despite massive publicity and an expensive advertising campaign.

The mother-of-five, who shot to prominence in January 1997 when she was suspended as managing director of Morgan Grenfell's pension funds, has raised less than £10m since her new employer, Société Générale, launched a UK Growth fund.

The money invested is a fifth of the normal level of subscriptions to an investment fund with the same objectives, which are normally expected to raise upwards of £50m.

The figures will cast doubt on targets set by Société Générale when it launched its UK asset management division six weeks ago. In a failure of publicity, the company said it aimed to manage £5bn within five years. The company is estimated to have spent £500,000 on advertising. But John Irons, head of retail at SocGen, said he was

"delighted" with the result, which he said came in difficult market conditions. Stephen Lansdown, joint managing director of Hargreaves Lansdown, the investment adviser, said: "The Nicola Horlick story is not an investment story.... But her fund is not exciting enough to capture the imagination."

The £10m subscription is in marked contrast to the £100m raised by a fund run by Jayesh Manek, a high street pharmacist who was employed by Sir John Templeton after winning a fantasy fund manager competition.

## Bank of England to hand back £700m

By Les Paterson

THE BANK of England has decided to cut the size of deposits it requires from banks. As a result, the Bank is to repay more than £700m to the banking system.

The recent wave of building society demutualisations was the key reason why the Bank of England decided to reduce the so-called "cash ratio". The last time the ratio was changed was in January 1992.

The move was favourably received by the banking community.

"The reduction is obviously welcome - it is a reduction in the costs of our members", said Peter Vipond, a director at the British Banking Association (BBA), the principal trade association for the banking industry. Until yesterday, banks were required to deposit 0.35 per cent of "eligible sterling liabilities" with the Bank of England. These deposits are non-interest bearing and help fund the Bank of England. From today, the ratio will be 0.25 per cent.

The recent spate of building society conversions - over the last

year, Halifax, Alliance & Leicester, Woolwich and Northern Rock have all become banks - has led to a significant rise in the amount of money deposited at the Bank of England. As a result, the Bank has found itself able to cut cash ratios, a cut in road taxes for fuel-efficient cars, tax breaks for working mums and a review of the taxation of industrial energy use. Ed Balls, the Chancellor's economic adviser, had better watch out.

The big UK banks - such as Barclays, NatWest and Halifax - will be the main beneficiaries of yesterday's move. Mr Vipond said the BBA hoped for a further cut in cash ratios when the Treasury assumes responsibility for setting cash ratios early this summer.

## COMPANY RESULTS

|                            | Turnover £       | Pre-tax £       | EPS             | Dividend      |
|----------------------------|------------------|-----------------|-----------------|---------------|
| Adi Holdings (I)           | 17.71m (15.57m)  | 1.157m (1.442m) | 4.0p (5.2p)     | 2.25p (2.25p) |
| Chime Communications (P)   | 42.38m (33.72m)  | 3.62m (3.72m)   | 3.8p (4.5p)     | 1.99p (-)     |
| CIA Group (P)              | 96.4m (77.3m)    | 9.52m (4.52m)   | 0.11p (0.25p)   | 2.72p (2.72p) |
| Cornwall Parker (I)        | 45.31m (45.21m)  | 3.31m (7.28m)   | 5.3p (11.0p)    | 1.3p (1.0p)   |
| Dean Corporation (P)       | 31.7m (14.9m)    | 1.301m (0.91m)  | 2.02p (1.66p)   | 0.7p (0.7p)   |
| Heworth (P)                | 610.4m (620.7m)  | -11.7m (67.6m)  | -8.0p (16.5p)   | 8.0p (14.85p) |
| Highland Industries (I)    | 113.7m (110.1m)  | 25.1m (24.9m)   | 12.5p (12.5p)   | 2.2p (2.7p)   |
| Jacobs Holdings (P)        | 38.90m (41.62m)  | 2.66m (3.01m)   | 2.3p (3.4p)     | 2.25p (1.87p) |
| Jarvis Group (P)           | 2.57m (2.59m)    | 150.2m (201.1m) | 0.8p (12.5p)    | 2.97p (2.97p) |
| Larsons (P)                | 95.13m (122.00m) | 7.495m (6.632m) | 10.5p (10.5p)   | 12.8p (12.8p) |
| Reynolds & Reynolds (P)    | 10.05m (10.05m)  | 2.94m (0.85m)   | 1.12p (0.52p)   | 0.55p (0.55p) |
| Silver Group (P)           | 72.41m (69.71m)  | 2.207m (3.115m) | 8.5p (12.31p)   | nil (-)       |
| Stirling Wines (P)         | 15.84m (15.78m)  | 0.256m (1.85m)  | 0.75p (3.30p)   | nil (-)       |
| PCA European Tour (P)      | 8.55m (4.06m)    | 1.221m (2.78m)  | 1.0p (4.4p)     | 0.5p (-)      |
| Platanus Resources (P)     | 12.25m (12.01m)  | -10.81m (7.71m) | -18.5p (12.96p) | nil (-)       |
| Proseco (I)                | 86.24m (86.08m)  | 4.5m (5.9m)     | 3.16p (4.7p)    | 1.21p (1.1p)  |
| QS Holdings                | 59.50m (59.18m)  | 0.850m (0.148m) | 0.07p (0.39p)   | nil (-)       |
| Rapiscan (P)               | 14.17m (16.50m)  | 1.4m (1.26m)    | 5.5p (4.5p)     | 3.1p (2.0p)   |
| Robinsons Brydone          | 20.44m (20.61m)  | 10.78m (9.8m)   | 31.22p (24.87p) | 14.0p (11.1p) |
| Rothwell (P)               | 108.3m (211.5m)  | 6.8m (1.2m)     | 8.8p (0.3p)     | 6.1p (0.1p)   |
| Sagely Group (P)           | 1.880m (1.180m)  | 68.1m (53.9m)   | 7.4p (5.4p)     | 4.0p (3.5p)   |
| Alexander Russell (P)      | 42.08m (36.95m)  | 2.8m (2.83m)    | 6.62p (6.31p)   | 3.0p (2.7p)   |
| United Assurance Group (P) | 228.7m (248.9m)  | 40.2p (151.3p)  | 21.0p (16.0p)   | nil (-)       |

(P) - Profit (I) - Income



## THE INVESTMENT COLUMN

EDITED BY ANDREW YATES

### Hepworth targets costs

WHEN a company takes six months over a strategic review under a new chief executive, investors are entitled to expect root and branch reforms, otherwise, why take so long? But at Hepworth, the heating and engineering group that has been the subject of recent bid speculation, shareholders are being treated to little more than fiddling around the edges.

Jean-Francois Chene, the Frenchman who returned to Hepworth last year to lead the review, has preferred to leave the structure of the business unchanged while taking the axe to the cost base. This disappointed some in the City who had hoped he might decide to offload some of the peripheral businesses to concentrate on the core heating and building materials products such as Glow-Worm boilers.

On top of this, the City was hoping for news on takeover speculation, which has centred on a possible £60m bid from Valliant, the German industrial group. But the company knocked these on the head yesterday, saying it has received no approaches.

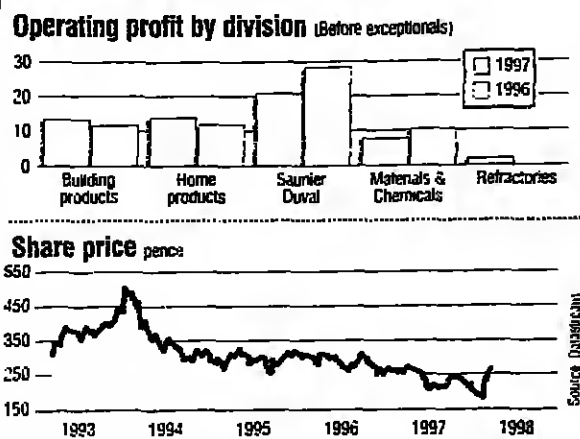
Though the company is not ruling out disposals at a later date it is, for now, concentrating on improving efficiencies. Of the £60m of exceptional charges which pushed Hepworth £11.7m into the red last year, £51m related to costs relating to the overhead reduction programme. Management says these will yield annual savings of £10m-£17m.

It remains to be seen as to whether all this will be enough to revive Hepworth's continuing businesses, which fell from £12m to £6m before the exceptional charges. The chief culprit was Saunier Duval, the French heating business, where profits were hit by a difficult domestic boiler market and the impact of sterling. But combining it with the UK operation into one heating division should increase efficiencies. In the home market, Hepworth did much

#### Hepworth: At a glance

Market value: £635m, share price 259p (-5p)

|                         | 93    | 94    | 95    | 96    | 97     |
|-------------------------|-------|-------|-------|-------|--------|
| Five-year record        |       |       |       |       |        |
| Turnover (£m)           | 854.7 | 695.8 | 785.9 | 777.8 | 648.3  |
| Pre-tax profits (£m)    | 58.3  | 75.5  | 74.5  | 67.6  | (11.7) |
| Earnings per share (p)  | 19.2  | 21.6  | 20.8  | 19.5  | (8.0)  |
| Dividends per share (p) | 14.85 | 14.85 | 14.85 | 14.85 | 9      |



better with profits up by 19 per cent in a UK boiler market that grew by 5 per cent last year.

The £16m cash pile is likely to be used for acquisitions in the heating and building products sectors rather than returned to shareholders.

Hepworth shares have jumped from their five-year low of 180p in February to 259p, down 5p yesterday. But with analysts forecasting full-year profits of £58.5m, the shares trade on a forward rating of 16. Consolidation looks inevitable in this market but, after the recent rise, the shares are only a hold.

### Eastern plans at Monument

IT TAKES a brave oil company to announce plans for a rights issue in the wake of a huge slump in the crude oil price. But Monument Oil & Gas is growing increasingly courageous.

Many investors will remember Monument as a rather placid North Sea minnow. But the expansion strategy it unveiled yesterday, alongside the planned £100m rights issue, make it clear Monument is turning into a much bigger fish.

It is still interested in pursuing North Sea developments, which should get the go ahead this year, but the real action is in the Caspian region. There Monument is building on its Nebit Dag development in Turkmenistan. On top of this it is building up its interest in Iran while also pushing for a new development in Azerbaijan.

The four-for-one rights issue is clearly meant to reduce gearing from 130 per cent as well as fund new acquisitions. But the £100m may not be enough if these easterly prospects are as good as Monument seems to be making out. And this year Monument will need around £30m to pay for drilling eight exploration wells.

Even with an oil price hovering around \$14.50 per barrel as it was yesterday, Monument, no doubt, has enough support to make a successful rights issue. Yesterday it was trumpeting a strong set of results with pre-tax profits up from £12.4m to £19.6m in the 12 months to December. Operating profits rose 92 per cent while production volumes increased by half.

Robert Fleming estimates, on the basis of a \$17 per barrel oil price, that pre-tax profits this year could rise from £19.6m to £28.7m. This would

put Monument on 19 times earnings post a rights issue.

This oil group has exciting prospects but the share price, down 5p to 61.5p, adequately reflects the significant risks.

### Highland spirits low

THE SCOTCH whisky market continues to go from bad to worse in the UK. Young drinkers are turning their noses up at a wee dram, choosing instead to guzzle the array of new, trendier spirits cocktails. Highland Distilleries, which makes Famous Grouse and Macallan, is doing better than most but UK sales are unlikely to improve for some time and the group's future success hinges on its plans to expand overseas.

Highland rightly recognises that these days selling whisky is all about marketing and building brand names. To this end it has pumped millions into a new advertising campaign. The jury is still out on whether this will pay off. At the moment all it has done is depress profits, although there are signs that the initiative is having a beneficial effect on sales.

The economic crisis in Asia raises another question mark over Highland's international ambitions. The direct impact on sales has so far been small. But the slump in spirit sales in the region has thrown Remy Cointreau, which distributes almost two-thirds of the group's whisky, into turmoil. Throw in the huge competitive threat of Diageo, formed by the merger of Guinness and GrandMet, and it will not be plain sailing for Highland.

These worries have been reflected in its poor share price performance recently and the shares slipped another 4p to 267.5p yesterday after the group announced virtually flat profits of £25.1m for the six months to February. Analysts forecast full-year profits of around £45m, putting the shares on a prospective p/e ratio of 12. The shares remain a long-term hold, although investors may have to be patient to see the fruits of Highland's investment programme.

## GUS looks the winner in Metromail battle

By Nigel Cope  
City Correspondent

GREAT Universal Stores, the home shopping group, appeared to have secured victory yesterday in the \$910m (£550m) bid battle for Metromail, the US database business. However, the rival bidder is still threatening legal action.

GUS said yesterday that the board of Metromail had unanimously re-affirmed its recommendation of its cash offer of \$34.50.

As the deal has already received clearance from the regulatory authorities, GUS has now launched its tender offer for all the outstanding shares of Metromail.

But ABI has still not given up and has applied for a hearing with the Delaware Supreme Court. This follows

the ruling by the Chancery Court which denied the group's request for an injunction to stop the GUS-Metromail deal.

ABI is seeking a hearing on 8 April. Yesterday GUS said: "GUS believes that there is no basis for the Delaware Supreme Court to hear the appeal and will vigorously oppose the application."

ABI's cash and shares offer of \$37.50 is higher than GUS's but it was not able to meet a deadline earlier this week under which it was due to supply additional details of its bid to the Metromail board.

With the Metromail bid reaching its final stages, attention will switch once more to GUS's £1.6bn bid for Argos.

The bid is looking more finely balanced after Argos announced a new trading strat-

egy last week and the City is expecting a £350m share buy-back or special dividend to be a central plank of the final defence document.

Argos shares are trading at 623.5p, up 2.5p yesterday, compared with GUS's offer of 570p.

"A more spirited defence and more to come has put pressure on GUS to raise its price," said Rowan Morgan, a retail analyst at Nikko Europe.

Argos will not be able to announce its plans for a capital return until the Department of Trade and Industry has ruled on whether the bid should be referred to the Monopolies and Mergers Commission. This decision could come on Thursday.

GUS shares closed 0.5p lower at 741.5p.

## UK bus operator wins £55m franchise

By Stephen Vines  
in Hong Kong

FIRSTGROUP, Britain's largest bus operator, has won a franchise worth about £55m in annual revenues to run Hong Kong's second-largest bus service serving 88 routes.

A subsidiary of the First-Group joined forces with the lead bidder, the Hong Kong-owned New World group, to win the franchise in the face of stiff competition from five other consortia, including its UK rival Stagecoach.

It will take over a bus service run for the past 65 years by the China Motor Bus (CMB) company, which tried to hang on to its franchise by joining up with Stagecoach. CMB stood little chance of retaining the business because its operations, based on an elderly British-made bus fleet, are highly unpopular.

FirstGroup and New World have pledged to spend up to HK\$2bn (£155m) on new facilities, which will include the purchase of 500 new buses. British bus makers also stand to benefit from this business.

New World, a diversified conglomerate run by the politically well-connected Cheng family, has no experience of bus operations and will have to rely heavily on FirstGroup's expertise. Nicholas Ng, the transport secretary, laid emphasis on FirstGroup's experience in Britain as a reason for the joint venture's successful bid.

Bus operations have been highly lucrative in Hong Kong where all routes are monopolies although large buses face competition from mini-bus operators covering the same territory.

The new company will have to get the new service running by 1 September. It will begin operations with CMB's fleet before putting new vehicles on the roads.

The award is the first to a UK company since the end of British rule in Hong Kong and can be taken as a sign the new regime is not discriminating against the former colonial power.

### Computacenter confirms flotation as profits rise



Heading for the market: Mike Norris, the chief executive (right) and Tony Conophy, the finance director, of Computacenter Services Group, which is planning to sell 25 per cent of its shares on the London Stock Exchange this May.

The offering is expected to value the UK's largest private information technology company, which is about 30 per cent owned by institutional investors, at £850m to £900m.

The company also said 1997 pre-tax profits rose 38 per cent to £47.1m and sales increased 28 per cent to £1.13bn as the planned introduction of a single European currency in 1999 and the year 2000 conversion date fuelled demand for information technology services.

Mr Norris said: "Given the shareholder structure, we were always going to do it one day. We don't really need the money."

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## the university for industry

**Monday 20 April 1998** **Business Design Centre, London N1**

A one day national conference for policy makers in higher and further education to look at the implementation of the Government's proposals on the creation of a University for Industry. It will examine the role that further and higher education institutions can play by working together and with business at a local, regional and national level increasing the skills and knowledge of the workforce, as well as supporting research and development in industry and commerce.

Speakers include:

- Dr Kim Howells MP,**  
Parliamentary Under Secretary, DfEE
- Rosie Boycott,**  
Editor, *The Independent* and *The Independent on Sunday*
- David Brown,**  
Chairman, *Motorola Ltd* and Chair, *URI Design and Implementation Advisory Group*
- Josh Hillman,**  
Institute for Public Policy Research
- Simon Sperry,**  
Chief Executive, *London Chamber of Commerce and Industry*
- Diana Warwick,**  
Chief Executive, *Committee of Vice-Chancellors and Principals*
- Dr Anne Wright CBE,**



JK bus  
operator  
wins £55m  
franchise

# The future looks red for Orange buyer



PETER THAL LARSEN

## MARKET REPORT

WHEN British Aerospace sold a 16 per cent stake in Orange, the mobile phone operator, to SBC Warburg last Thursday it looked as if the broker had done a handy bit of business. But the subsequent share price slide has left it seeling red.

To recap, Warburg bought the shares for 395.75p while the market price was close to 418.5p - giving the broker a nominal £44m profit.

As Warburg began to place the shares with institutional investors, however, the deal started to go wrong. In a falling market, Orange shares slipped below the 399.5p minimum price below which Warburg had insisted it would not sell. At the end of the day, the broker was left with a large chunk of stock.

Just how large that holding is became clear yesterday, when Warburg was forced to reveal that had been left with 52.5 million Orange shares - more than a quarter of the

stake it took over from BAE. Given the recent weakness in Orange's share price, the numbers do not look good. Assuming all the shares it placed fetched at least 399.5p, Warburg made a cool £5m on the shares it sold. However, that profit is entirely wiped out by the loss on the stake Warburg held on to. Orange shares yesterday closed at 1p at 380.5p after once having been as high as 371p. At that price, Warburg's stake is worth £8m less than it paid for it, ostensibly leaving the broker nursing a £3m loss on the deal.

Predictably, sources at Warburg scoff at this figure, arguing that it takes no account of the broker's hedging policy. Equally predictably, they refuse to shed any light on that policy. Given that there is no chance Warburg will ever officially reveal how much it made or lost on the deal, all the rest of us can do is guess.

The market continued its recent drift yesterday, dropping away in the middle of the day before a strong Wall Street opening helped it to shrug off sterling's renewed strength. The FTSE 100 index closed up 20.3 points at 5932.2.

The insurance sector took a knock after United Assurance revealed disappointing new life sales figures and increased its provision for pensions mis-selling by £100m to £170.6m. United shares dropped 26p to 58.5p, helping to drag down Sun Life & Prudential, 14p lighter at 578p. The same factors and a NatWest downgrade pulled at Royal & Sun Alliance, off 13p at 761p.

Hays, the business services group, surged 4.2p to finish at 1073p, close to its all-time high, after a positively received management conference with institutional investors.

Fortunes contrasted in the pharmaceuticals sector. Investors dumped Smith &

Nephew, making artificial skin from babies' foreskin, after US regulators warned its joint venture partner that manufacturing facilities were not up to scratch. The shares slumped 12p to 166p.

But Chiroscience, the biotechnology group, surged 86p to 323.5p after revealing a licensing deal with drug giant Zeneca to distribute its

Chiroscience anaesthetic, Zeneca shaded 11p to 257.4p.

Racal Electronics continued its recent surge, rising 9.5p to 338.5p after broker Dresner Kleinwort Benson slapped a 7.5p price target on the shares. Last November, shares in Sir Ernest Harrison's vehicle briefly touched 260p.

Ladbrokes shook off the decision by President of the Board of Trade, Margaret Beckett, to refer its acquisition of the Coral betting shops from Bass to the Monopolies and Mergers Commission, rising 3.25p to 334.5p. Buss slipped 10p to 114.5p.

GWR, the radio group, gave up 14p to 178.5p after warning of lower than expected profits at Classic FM. The news helped drag rival Capital Radio down 3p to 105p, which spent the day updating analysts on its radio and restaurants divisions.

An upbeat set of results lifted Druid, the IT consultancy which specialises in

implementing SAP software. The shares, floated at 275p at the end of 1996, closed up 10p at 841p. Fellow SAP specialist Diagonal, which firmed 7.5p to 907.5p, has enjoyed a similarly meteoric rise.

The gloss was taken off Rage Software when it revealed that managing director Paul Finnegan and his wife had sold a total of 106,000 shares, raising £13,250. The stock has soared from 4p to 15p in the past month on back-to-back deals with computer giants Compaq and Sega. The shares slipped 0.5p to 11.5p.

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## TAKING STOCK

### OIL MINNOW

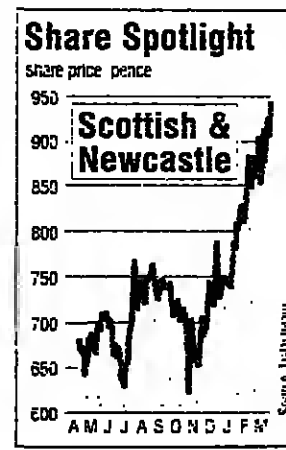
Energy, on the receiving end of a bid from Russian group Sibir Energy, was one of the most actively traded stocks of the day with 15.9 million shares trading hands. Dealers said one institution had placed its stake at 10p. US investors have expressed discontent with Sibir's offer.

### AIM-quoted fund manager

Farlane dipped 10p to 265p as three non-executive directors resigned. The departing directors were all connected to broker Hitchens Harrison, which recently sold its 25 per cent stake. US-backed investor EMS, which took over the shares, has nominated one replacement.

### T CLARKE, the electrical engineering contractor

dropped 8p to 126.5p as Electrowatt, the Swiss Group, sold its entire 53.15 per cent stake. The shares were placed with institutional shareholders and T Clarke's management at 105p. The shares have doubled in value in the past year.



| Share Price Data                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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Foreign Exchange Rates

| Country      | Starting | Spot  | 1 month | 3 month | Dollar | Spot  | 1 month | 3 month | D-Mark |
|--------------|----------|-------|---------|---------|--------|-------|---------|---------|--------|
| UK           | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| US           | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Canada       | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| France       | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Germany      | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Italy        | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Spain        | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Japan        | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Sweden       | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Netherlands  | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Belgium      | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Denmark      | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Portugal     | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Greece       | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Switzerland  | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Australia    | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| New Zealand  | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| South Africa | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| India        | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Indonesia    | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Philippines  | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Malaysia     | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Singapore    | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Thailand     | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| China        | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| South Korea  | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Taiwan       | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |
| Hong Kong    | 10000    | 22291 | 22226   |         | 10000  | 15687 | 15693   | 0.9227  |        |

Other Spot Rates

| Country     | Starting | Dollar | Country     | Starting | Dollar |
|-------------|----------|--------|-------------|----------|--------|
| Argentina   | 10000    | 10000  | Oman        | 10000    | 10000  |
| Brazil      | 10000    | 10000  | Pakistan    | 10000    | 10000  |
| Canada      | 10000    | 10000  | Pakistan    | 10000    | 10000  |
| Czech Rep   | 10000    | 10000  | Poland      | 10000    | 10000  |
| Denmark     | 10000    | 10000  | Romania     | 10000    | 10000  |
| France      | 10000    | 10000  | Russia      | 10000    | 10000  |
| Germany     | 10000    | 10000  | South Korea | 10000    | 10000  |
| Italy       | 10000    | 10000  | Taiwan      | 10000    | 10000  |
| Japan       | 10000    | 10000  | Thailand    | 10000    | 10000  |
| Netherlands | 10000    | 10000  | Turkey      | 10000    | 10000  |
| Portugal    | 10000    | 10000  | UAE         | 10000    | 10000  |
| Spain       | 10000    | 10000  |             |          |        |
| Sweden      | 10000    | 10000  |             |          |        |

Interest Rates

| Country     | Starting | Dollar | Country     | Starting | Dollar |
|-------------|----------|--------|-------------|----------|--------|
| UK          | 10000    | 10000  | US          | 10000    | 10000  |
| Canada      | 10000    | 10000  | Japan       | 10000    | 10000  |
| France      | 10000    | 10000  | Germany     | 10000    | 10000  |
| Italy       | 10000    | 10000  | Belgium     | 10000    | 10000  |
| Spain       | 10000    | 10000  | Netherlands | 10000    | 10000  |
| Sweden      | 10000    | 10000  | Denmark     | 10000    | 10000  |
| Netherlands | 10000    | 10000  | Switzerland | 10000    | 10000  |
| Belgium     | 10000    | 10000  | Portugal    | 10000    | 10000  |
| Denmark     | 10000    | 10000  | Lombard     | 10000    | 10000  |

Bond Yields

| Country     | Starting | Dollar | Country     | Starting | Dollar |
|-------------|----------|--------|-------------|----------|--------|
| Australia   | 10000    | 10000  | US          | 10000    | 10000  |
| Canada      | 10000    | 10000  | Japan       | 10000    | 10000  |
| France      | 10000    | 10000  | Germany     | 10000    | 10000  |
| Germany     | 10000    | 10000  | Belgium     | 10000    | 10000  |
| Italy       | 10000    | 10000  | Netherlands | 10000    | 10000  |
| Spain       | 10000    | 10000  | Sweden      | 10000    | 10000  |
| Sweden      | 10000    | 10000  | Denmark     | 10000    | 10000  |
| Netherlands | 10000    | 10000  | Switzerland | 10000    | 10000  |
| Belgium     | 10000    | 10000  | Portugal    | 10000    | 10000  |
| Denmark     | 10000    | 10000  | Lombard     | 10000    | 10000  |

Money Market Rates

| Country     | Starting | Dollar | Country     | Starting | Dollar |
|-------------|----------|--------|-------------|----------|--------|
| Australia   | 10000    | 10000  | US          | 10000    | 10000  |
| Canada      | 10000    | 10000  | Japan       | 10000    | 10000  |
| France      | 10000    | 10000  | Germany     | 10000    | 10000  |
| Germany     | 10000    | 10000  | Belgium     | 10000    | 10000  |
| Italy       | 10000    | 10000  | Netherlands | 10000    | 10000  |
| Spain       | 10000    | 10000  | Sweden      | 10000    | 10000  |
| Sweden      | 10000    | 10000  | Denmark     | 10000    | 10000  |
| Netherlands | 10000    | 10000  | Switzerland | 10000    | 10000  |
| Belgium     | 10000    | 10000  | Portugal    | 10000    | 10000  |
| Denmark     | 10000    | 10000  | Lombard     | 10000    | 10000  |

Life Financial Futures

| Contract      | Starting | Settlement | High  | Low   | Est floor | Open  |
|---------------|----------|------------|-------|-------|-----------|-------|
| 5 Yr Gilt     | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 10 Yr Gilt    | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 30 Yr Gilt    | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    | 10000      | 10000 | 10000 | 10000     | 10000 |
| 3 Mth Euribor | 10000    |            |       |       |           |       |

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## هكذا من الأحرار







# Leeds play on after flight ends in flames

It will be business as usual on Saturday despite crash. Guy Hodgson reports

FOR A few moments early yesterday the echo of one of British football's biggest disasters was heard. As the plane carrying Leeds United ploughed through rough grassland at the end of the runway at Stansted Airport in Essex it passed through the shadow of the Munich Air Crash.

On February 6, 1958, eight Manchester United players were among 23 people killed when their plane crashed on take-off as United returned from a European Cup match against Red Star Belgrade; yesterday the Leeds squad escaped virtually unscathed. Just two passengers received minor injuries, including the team's assistant manager, David O'Leary, while four members of the crew needed treatment. For the rest there was an almighty scare.

"It's hard to say what's going through your mind when you hit the ground and you're sliding on the runway," O'Leary, who injured his shoulder forcing open a door, said. "You're hoping you won't hit anything, that it won't explode. The plane was like a roller-coaster. There was a lot of fire and everyone just got off as fast as possible. We are all pretty shaken up but the overwhelming feeling is that we're glad to get out in one piece."

The chartered Hawker Siddeley HS-748 turbo prop was taking the multi-million pound Leeds squad, which included manager George Graham who stayed in London, back to

Leeds-Bradford Airport after Monday's night 3-0 Premier-ship defeat at West Ham. As it reached a height of 150 feet the starboard engine exploded into flames and the pilot - 61-year-old Captain John Hackett - aborted the flight.

The 15-year-old plane, owned by Belfast-based Emerald Airways, overshot the runway as it crash-landed, the nose wheel collapsing as the craft came to a stop about 300 feet from the perimeter fence. The first call to the emergency services was timed at 12.43am, as crew and passengers performed what was described as a copy-book evacuation.

"Everyone on board could see the flames and everyone seemed to be shouting: 'Fire! There's a fire!'," the Leeds chairman, Peter Ridsdale, whose 13-year-old son, Matthew, was also on board, said. "We had just taken off. You know the plane is full of fuel and you just hope you land before it explodes."

"The pilot later told me he wouldn't have had time to go round again. He said 30 seconds longer and the plane would have been in flames."

Leeds are one of only two Premier-ship clubs who regularly use aircraft for domestic away fixtures, the other being Everton. Normally the HS-748 seats 48 but yesterday it carried a crew of four and 40 passengers, including 18 players and former stars Norman Hunter and Eddie Gray.



Lucky Leeds: The plane which was carrying Leeds United back to Yorkshire lies nose down after crash-landing on take-off at Stansted Airport yesterday. Photograph: Brian Harris

"Just after we took off we heard a big bang and saw the flames from the engine on the right-hand side. We were just off the ground," Gunner Halle, Leeds' Norwegian defender, said. "There was a little bit of shouting. I couldn't believe what was happening."

The Civil Aviation Authority has launched an inquiry into the crash which John Stent, chief executive at Stansted, said was the first serious accident there

since the airport opened as a major terminal seven years ago. The Leeds squad were taken to an emergency centre before being allowed to leave in the early hours of the morning, completing their journey to El-

land Road by coach at 7.30am, more than nine hours after finishing the match at Upton Park. Leeds will review their travel plans for away matches after assessing the mood of those involved. "It will obviously depend

on how everybody feels," a spokesman said. "It is probably too early to make a decision." Their next match, Saturday's home game against Barnsley, will go ahead.

The incident came seven weeks after Manchester United commemorated the 40th anniversary of Munich, which destroyed the Busby Babes, of whom Geoff Bent, Roger Byrne, Eddie Colman, Duncan Edwards, Mark Jones, David Pegg, Tommy Taylor and Liam Whelan died, while two others never played again.

Bobby Charlton, who survived the crash, admits to fears every time he boards a plane, but he still travels with United to most of their away European

ties. In the Premier-ship the only player who famously refuses to fly is Arsenal's Dennis Bergkamp.

There have been at least six major air disasters other than Munich involving football teams. In 1949 Italy's Torino lost 17 players including eight internationals; in 1961 eight players from Greenock (Chieft) in 1969 19 players and officials of The Strongest (Belize) in 1979 the Soviet Union's Pakhtakor Tashkent lost 17, in 1987, 34 players and officials of Alania-Lanka (Georgia) died; and in 1993, 30 people perished, including all but four of the Zambian national squad, when their plane crashed into the sea on the way to play a World Cup match.

## Footballers grounded by fear of flying

DENNIS BERGKAMP is one of the few who actually refuse to, but the truth is that many footballers throughout the ages have had a deep-seated fear of flying. Having survived the Munich air crash in 1958, it was entirely understandable that Bobby Charlton should suffer terrible anxieties when he had to fly in the years that immediately

followed. Partly as a result of that tragedy perhaps, reporters travelling with teams in the 60s recall many players suffering similar anxieties, none more so than Jimmy Greaves, both with Spurs and England.

It was a common occurrence in those days for the team to lead a spontaneous round of applause once the plane had taxied to a standstill having landed safely.

For all the frequency of flying in the modern game, many current players still suffer when flying. Middlesbrough's Paul Merson has spoken of his fears, and revealed that alcohol was one way he used to conquer them - a method no longer open to him now that he is teetotal.

West Ham's Stan Lazaridis is another with a fear of flying, which is particularly unfortunate given that he plays for Australia. Bergkamp's fear of flying began when members of the Ajax youth side were killed in a crash in Surinam, but made worse by a couple of incidents during USA 94 after which he refused to fly again.

## Barnsley and Everton charged

By Catherine Riley

The Football Association has charged Barnsley and Everton with failing to control spectators following the pitch invasion incidents in their weekend Premier-ship defeats.

During Barnsley's 3-2 defeat by Liverpool, Gary Willard had to take cover in the dressing-room after home fans, furious at two dismissals, tried to attack him. At Goodison, one Everton supporter made for Neale Barry after he awarded Aston Villa a penalty in their 4-1 win.

Glenn Hoddle's agent yesterday denied that the England

coach intends to leave his position for a managerial role at Monaco. Reports suggested the French champions were offering Hoddle £3m tax free in a three-year deal to take over at the club where he once played. Monaco, who knocked Manchester United out of the Champions' League, also denied having made any approach to Hoddle.

Tottenham's hopes of escaping the relegation battle have been boosted after Darren Anderton and Steven Iversen, both out since December, made successful comebacks in the reserves yesterday and could make Saturday's game with Everton.

Chelsea are looking to add to their international roster by signing a pair of Turkish players, the striker Halan Sukur and the midfielder Ercan Abdullah.

Middlesbrough, beaten by Chelsea in the Coca-Cola Cup final on Sunday, will not take the UEFA Cup place should Chelsea win the European Cup-Winners' Cup - it will instead go to the best-placed Premier-ship club not already qualified for European competition.

Southampton's England Under-21 striker Kevin Davies is ready to return to action. Davies has not played since suffering a recurrence of an ankle injury

during the 3-2 win at Liverpool at the beginning of February. Birmingham have offered a new one-year contract to their captain Steve Bruce, who will be 33 this year, but Bruce said he would wait until the end of the season before making a decision.

Pele is resigning from his position as Brazil's special minister of sports to do television commentary for Globo TV at the World Cup - and may find his job gone when he returns. Reports from Brazil said yesterday that the country's president, Fernando Henrique Cardoso, planned to eliminate the sports ministry when Pele left.

## Banks and Kelly boycott men-only date

THE Football Association chief executive, Graham Kelly, and the Minister for Sport, Tony Banks, are boycotting the Professional Footballers' Association awards dinner because of the union's ban on women.

The PFA is refusing to let Rachel Anderson, who is the country's only female football agent, attend Sunday evening's event because of her sex. Kelly left last year's ceremony after Anderson was denied entry to the dinner and he will not be attending this year in protest.

Kelly said: "It runs contrary to all the things you usually hear coming out of the PFA. I think it is outmoded. They know perfectly well what my views are."

Banks, too, is not attending because of the PFA's men-only guest list. A spokesman for his office said: "He doesn't want to make a particular issue of the PFA, but he feels the event should not be for men only."

Anderson, whose clients include the West Ham defender Julian Dicks and the Everton midfielder Don Hutchison, may take her case to the Equal Opportunities Commission. "I'm not overly surprised but I am thrilled by the support," she said.

## Saunders seeking to close gap at old stomping ground

DEAN SAUNDERS returns to Nottingham Forest today for the first time since his free transfer to Sheffield United from the east Midlands club in December. The quest for promotion points will be uppermost in the striker's mind, however, rather than having any points to prove in front of the City Ground crowd.

Saunders said: "They've seen me play over the years. I suppose I am a bit disappointed about the way things turned out there. But I'm just enjoying playing at the moment."

"I see my old team-mates anyway and I'm looking forward to the game. I hadn't played for a month until Saturday and I'm just pleased that my hamstring didn't go."

"But it's such an important game as well that we can't afford to lose. If we win we're nine points behind [the First Division leaders] with two games in hand. It will be a big win for us. And we play Middlesbrough next in the League."

The Blades' goalkeeper, Alan Kelly, is rated doubtful for the trip to Nottingham with bruised ribs. Steve Thompson, the club's new manager, may play Simon Tracey - but Kelly will be fit for the FA Cup semi-

final against Newcastle on Sunday. David Holdsworth has a slight throat infection and Trianos Dallas is on stand-by.

United's new signings, Chris Wilder, Ian Hamilton and Paul Devlin, could also be among the starting XI and Roger Nelsen has returned to the squad after recovering from injury.

Forest, meanwhile, have a slight doubt over Thierry Boulanger. Des Lytle stands by Andy Johnson is still feeling the effects of a foot injury and will not be risked for the game.

Queen's Park Rangers' assistant manager, John Hollins, is hoping that tonight's opponents, Wolves, will have at least one eye on Sunday's semi-final against Arsenal. The former Chelsea player is hoping his side will gain revenge for defeat at Molineux earlier this season.

"I'd like to think they'll be looking over their shoulders," he said. "But having seen them play against Portsmouth - they certainly weren't looking at anything else and picked up three valuable points. We had a great, open game against Wolves at Molineux where we lost 3-2. So we owe them."

Rangers are still without Gavin Peacock (hamstring) while Wolves' new £50,000 sign-

ing from Southampton, Robbie Slater, admits that reaching the play-offs is the team's priority.

Slater said: "It is a very interesting part of the season for Wolves. They are a little bit off the pace at the moment playing off and we have got to get back into that. The semi-final is something I think that you have got to look forward to."

"Getting to Wembley in the FA Cup would be great, but that is not going to get you into the Premier League for a club the size of Wolves that has to be the main aim."

Wolves are waiting for clearance to play another new signing, David Connolly, who joined them on loan from Feyenoord last week. Red tape forced him to miss out on making his debut against Portsmouth last Sunday. Kevin Micallef has completed a two-month ban and the midfielders Neil Emphren and Simon Osborn are both likely to figure.

The Wolves striker Mika Paatelainen has turned down a semi-final move to the Scottish Premier League club Hibernian, who wanted the Finnish international. Paatelainen, however, did not want to go to the Edinburgh club on loan.

## City going Dutch over Kinkladze deal

By Alan Nixon

GEORGI KINKLADZE, Manchester City's sporadically brilliant midfielder, has flown to Amsterdam to discuss a move to Ajax.

The City manager, Joe Royle, confirmed earlier this month that the Dutch side had made an enquiry about Kinkladze through an agent. No fee has been mentioned, but City reportedly want £5.5m for the 24-year-old Georgian international

who joined them in a £2m move from Dynamo Tbilisi in 1995.

Royle is prepared to let untested Kinkladze leave Maine Road and has left him out of matches even though the club are teetering on the brink of relegation to the Second Division.

Better news for City yesterday came with Richard Edgill pledging his future to the club. The highly rated full-back has agreed a four-year deal on improved terms.

Across Manchester, the

United manager, Alex Ferguson, has agreed to loan Celtic their reserve goalkeeper Kevin Pilkington for the rest of the season as cover for Jonathan Gould.

The Manchester United midfielder Jordi Cruyff began his latest comeback from injury when he played in a reserve match at Preston North End on Monday. Cruyff has been out since he suffered a hairline fracture of his right ankle on 21 February.

United are optimistic they will soon resolve their wrangle

with Benfica over Karel Poborsky's unpaid transfer fee. United are still waiting to receive any of the £3m they reportedly agreed with the Portuguese side in December for the Czech Republic international.

Danny Williamson is out of Everton's relegation struggle after having a knee operation. In a further blow, the talented young midfielder, signed from West Ham, has suggested he may quit the club at the end of the season and return to London.

## Champions ready to show their credentials

IN A season when UEFA allowed domestic runners-up to join Europe's premier competition, tonight's Champions' Cup semi-final line-up suggests that it has at least lived up to its name.

Borussia Dortmund, the defending champions, go to Real Madrid, the record six-time winners, for tonight's first leg. Juventus, the losing finalists last season and also on course for their second Italian title in a row, host Monaco, who have won the French championship by 12 points and put out Manchester United in the quarter-finals.

The Real Madrid chairman, Lorenzo Sanz, is in no doubt about who should lift this year's cup. "Real Madrid have a historic obligation to get to the final," said Sanz, whose son, Fernando, is likely to make the team in place of the suspended Fernando Hierro.

With Sanz's team six points

behind Barcelona in the Spanish League, Real have virtually written off holding on to their title. But extending their record to seven Champions' Cup titles, 32 years after the sixth, would more than make up for that.

Dortmund's coach, Nevio Scala, declared Real Madrid "the strongest team in Europe" although Juventus would argue with that. After his team finally shook off Bayern Munich in a closely-fought quarter-final which had one goal in 210 minutes, Scala's players are ready for another tough battle.

Dortmund have their central defender Jürgen Kohler and the midfielder Jörg Heinrich ruled out through injury, while the Austrian sweeper Wolfgang Feiersinger is banned with two yellow cards.

Juventus, so close to elimination at the group stage, are now in a rich vein of form and look likely to make their third

final in a row. Filippo Inzaghi, whose late winner against Manchester United in December enabled Juventus to scramble into the quarter-final, scored three in a 4-1 quarter-final win at Dynamo Kiev and two in Saturday's 4-1 beating of Milan in Serie A.

While confident of his own form, Inzaghi is wary of Monaco. "We have to be aware of the French club," he said. "We are talking about a team that eliminated Manchester United and we know quite well how tough it is to beat the English."

Juventus should see the return of the midfielders Zinedine Zidane and Antonio Conte but may miss the Uruguayan defender Paolo Montero because of a leg muscle problem.

Monaco's goalkeeper, Fabien Barthet, and the striker David Trézéguet, who were ruled out of France's friendly against Russia last week, should both make the trip to Turin.

## Today's fixtures

Football

7.30 unless stated

EUROPEAN CUP

SEMI-FINALS FIRST LEG

Juventus v Borussia Dortmund (7.45)

Real Madrid v Bayern Munich (7.45)

NATIONWIDE FOOTBALL LEAGUE

FIRST DIVISION

Nottingham v Sheffield (7.45)

GRANVILLE LEAGUE

PREMIER DIVISION

Rangers v Hibernian (7.45)

UNION LEAGUE PREMIER DIVISION

Blackpool v Luton (7.45)

Blackpool v Luton (7.45)

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POINT TO POINT

7.30 unless stated

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Blackpool v Luton (7.45)

Blackpool v Luton (7.45)

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| AUSTRIA       |         |      |           |           |        |       |          |
| CANADA        |         |      |           |           |        |       |          |
| FRANCE        |         |      |           |           |        |       |          |
| ITALY         |         |      |           |           |        |       |          |
| NORWAY        |         |      |           |           |        |       |          |
| ROMANIA       |         |      |           |           |        |       |          |
| SPAIN         |         |      |           |           |        |       |          |
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| UNITED STATES |         |      |           |           |        |       |          |

Snow Reports number by Ski Hotline

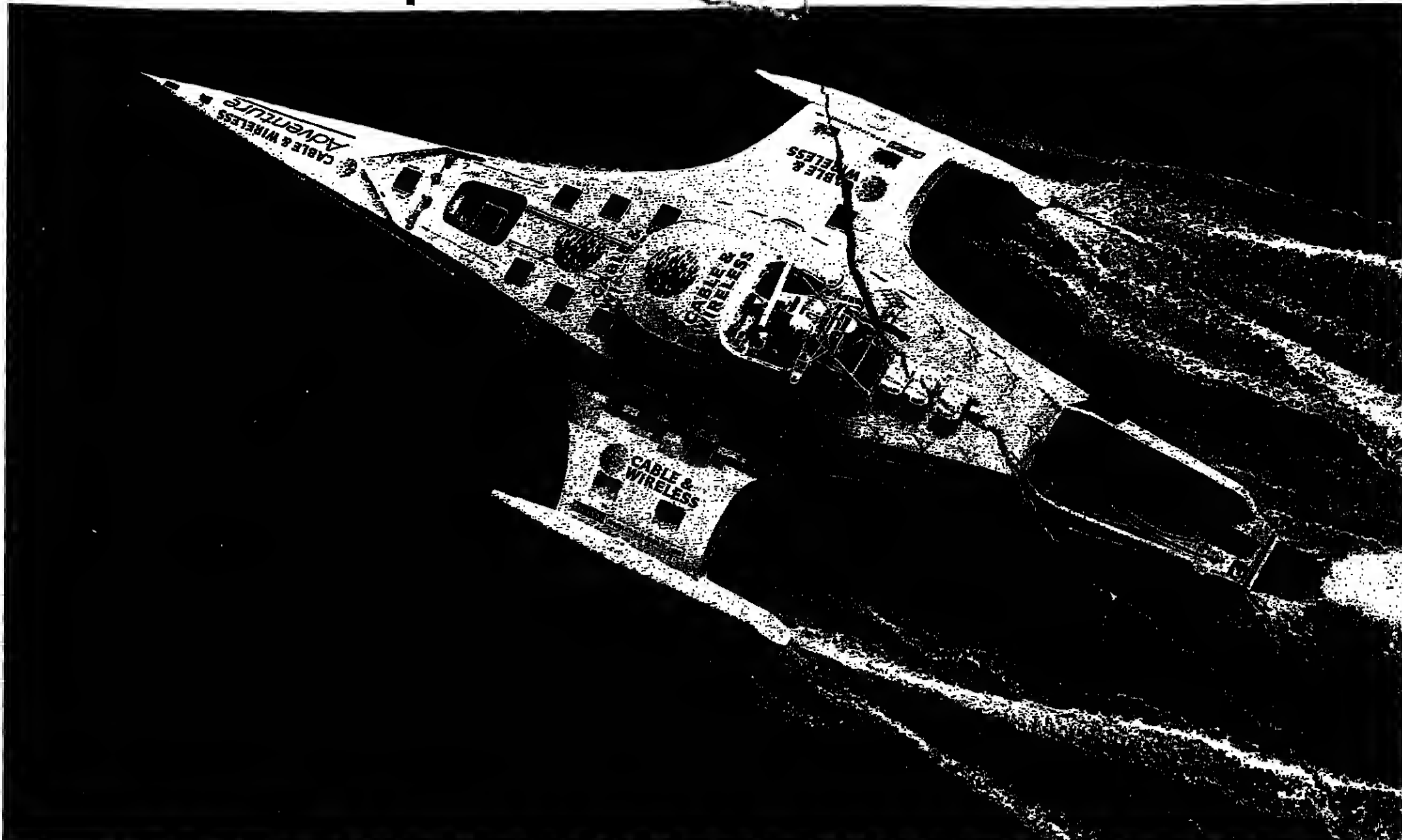
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## Adventurer powers in for record attempt



The British powerboat Cable and Wireless Adventurer is put through its paces in the Solent yesterday during its first 'measured mile' trial in preparation for the attempt to break the world circumnavigation record for powered vessels starting on 19 April  
Photograph: Mike Hewitt/Alisport

## The best goal of all? Maradona tops poll

By Mark Pearson

HE MAY be regarded as one of the most notorious figures in English sporting history, but it seems that football people are a forgiving lot.

Diego Maradona put Argentina on their way to victory over England in the quarter-finals of the 1986 World Cup with his controversial "Hand of God" goal. However, when *FourFourTwo* magazine asked players, managers and other football folk to nominate their greatest goal of all time, Maradona won, to coin a phrase, hands down.

The votes, however, were for his second goal in that match.

### The top ten greatest goals of all time

- 1 Diego Maradona  
Argentina v England (World Cup quarter-final 1986)
- 2 Marco van Basten  
Netherlands v USSR (European Championship final 1988)
- 3 David Beckham  
Wimbledon v Manchester United (Premiership 1996-97)
- 4 Carlos Alberto  
Brazil v Italy (World Cup final 1970)
- 5 Trevor Stretter  
QPR v Barnsley (FA Cup fourth round 1996-97)
- 6 Roberto Carlos  
Brazil v France (Le Tournoi 1997)
- 7 Geoff Hurst  
England v West Germany (World Cup final 1966)
- 8 Pele  
Brazil v Italy (World Cup final 1970)
- 9 Ronnie Radford  
Hereford v Newcastle (FA Cup third round 1971-72)
- 10 John Barnes  
Brazil v England (friendly 1984)

which came after a mesmen, run from the halfway line. Argentina's national hero pol twice as many goals as the runner-up, Marco van Basten, whose thunderous volley helped the Netherlands win the 1988 European Championship final.

In a top 10 that also features World Cup final goals by Pele, Carlos Alberto and Geoff Hurst, it is good to find a Hereford United striker earning his place. Ronnie Radford's 1972 goal against Newcastle in the FA is ninth in the list.

While most celebrities were agreed on Maradona's goal as the best, there were some differences of opinion. Andy G of Sky TV chose David Beckham's long-range lob chister United Wimbledon, while t manager, Craig Brown, Archie Gemmill's goal the Netherlands in 1994.

### Football

ASTON VILLA have expressed a late interest in competing in this summer's InterToto Cup after being knocked out of the Uefa Cup by Atletico Madrid - threatening Crystal Palace's chances of reaching Europe next season.

When the Premier League asked for volunteers to enter the much-maligned competition - which can lead to entry into the Uefa Cup - only Palace expressed a desire to take part and so only one place was

requested, when two were on offer.

Yet when Villa, who would probably need to win their remaining six Premiership matches to qualify automatically for Europe, were knocked out of the Uefa Cup at the quarter-final stage earlier this month, they had a change of heart.

The Villa chairman, Doug Ellis, indicated to his Premiership counterparts at their monthly meeting last Thursday that his club were considering entering the InterToto. So there is now competition for places in a tournament which English

clubs have not entered for two years, when Tottenham and Sheffield Wednesday ran into trouble with Uefa, football's governing body in Europe, for fielding weakened sides.

The reason is that Uefa has made the tournament easier for the bigger nations this year by allowing them to enter in the third round - effectively the quarter-finals - so an English representative would need to win only three two-legged matches to secure a potentially lucrative place in the Uefa Cup first round.

Yet the identity of that representative is still unclear.

The Premiership's bottom club, Palace, had been promised a place - even if they were relegated - before Villa came forward and Premier League clubs are still in favour of the Eagles as John Gregory's side are so late with their application.

However, it is the Football Association which officially puts a nomination forward. Uefa rules dictate that in normal circumstances the successful club should be the one finishing higher in the league - and Villa are nine places above Palace.

The FA must now consider

its position on the matter, while Uefa's InterToto committee will meet to discuss this "special situation" on 23 April. A Premier League spokesman said: "The process of nomination is ultimately a matter for the national association. The FA is fully aware of the situation and discussions have taken place between the Premier League and the FA."

Uefa also confirmed that Palace and Villa could only both go through if another association gave up one of its places by the official closing date for entries on 2 June.

The third round, featuring eight seeded teams and 16 winners of second-round matches, takes place on 18 and 25 July. There are three final-round ties - as there are three Uefa Cup places - to be held on 11 and 25 August, the same date as the preliminary round of the Uefa Cup.

Scotland, as well as Moldova, Andorra, Bosnia-Herzegovina, Liechtenstein and San Marino, are not among the 45 nations supplying teams this year, although Spain and Italy will be competing for the first time.

The FA confirmed Villa had

expressed an interest in entering the InterToto Cup. A spokesman said: "We're currently exploring every possible avenue with Uefa to achieve two places for English teams in the competition, and will continue to do that."

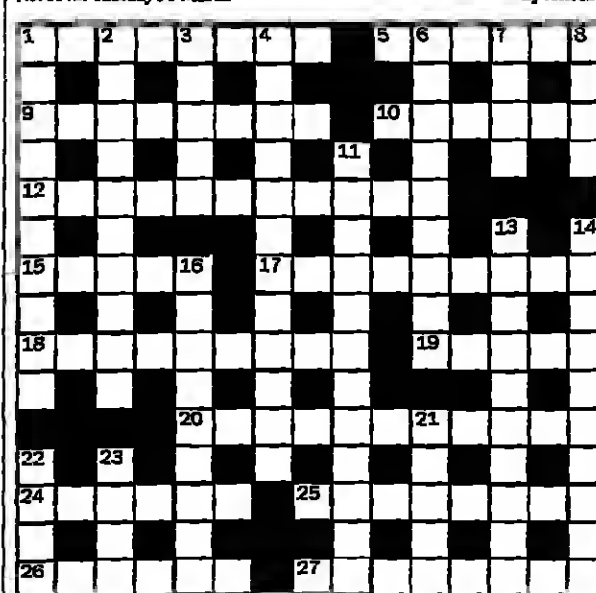
If an extra place did become available, only one of Palace and Villa could enter at the third-round stage, with the other club having to enter the competition earlier. Last week Bournemouth, finalists in the Auto Windscreens Shield, declared an interest in entering the InterToto should they win the lower division clubs' cup.

### THE INDEPENDENT CROSSWORD

No. 3572, Tuesday 31 March

By Ashford

Monday's Solution



#### ACROSS

- 1 Retrogressive colonel upset lately in this place (8)
- 5 Shows surprise seeing leading actor on back street (6)
- 9 Golfers' shouts with attempt at dealing with wood? (8)
- 10 With border like this would be getting jammed (6)
- 12 Talk oo wok entrancing cold Japanese purchaser is rubbish (11)
- 15 Bring forth young, 50, in grove (5)
- 17 Extensive dilemma in wild parts of Wales (9)
- 18 Actor's Unico's endlessly clever and fair (9)
- 19 Two different kinds of river in the country (5)

#### DOWN

- 1 Cover for long-term prisoner? (4,6)
- 2 Bit of brain seen to wax with war in ancient Rome (10)
- 3 Car leaves border town to get cotton yarn (5)
- 4 Tintin could make one fling a jelly? (5,1,6)

- 6 Sailor holds current live cuddly animal (5,4)
- 7 Control that is set up in the navy (4)
- 8 Long story about a tenuous substance (4)
- 11 Old, old gent in a car crash - over 80 (12)
- 13 Stock Exchange postponements hold up deliveries (5,5)
- 14 Ring an Italian woman for drug (10)
- 16 A furthering of old Hitchcock's speciality (9)
- 21 Studies European compact (5)
- 22 One's right to leave beetle's healing wound (4)
- 23 Catch sight of this in one's pyjamas (4)

## Rugby converting to flashing balls as goal doubts kicked into touch

By Graham Childs  
Science Correspondent

A REMARKABLE invention has gone on trial to the amazement of rugby players and spectators throughout the country - the world's first flashing rugby ball.

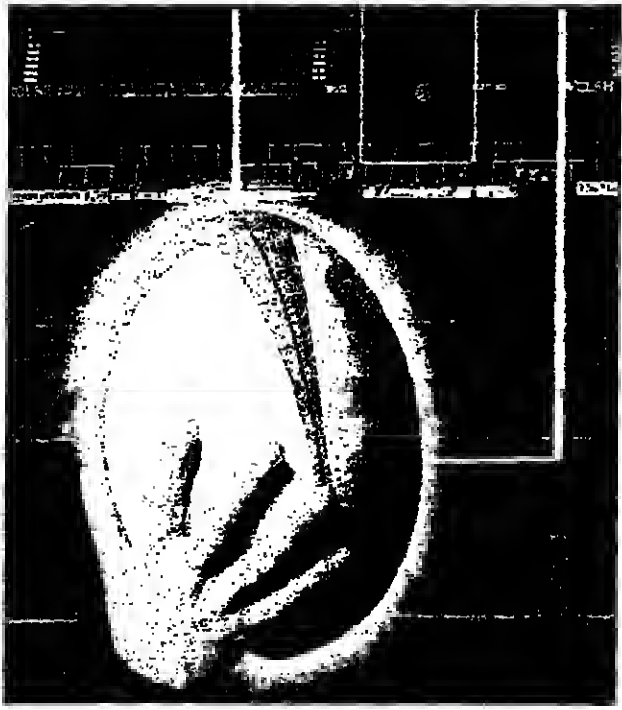
The ball is able to indicate a successful kick at goal by emitting light as it passes between the posts. It is the result of six years of collaboration between ball manufacturers Gilbert and University College, London.

When the ball passes between the uprights and over the crossbar, it travels through a magnetic field that energises biological material on the surface of the ball. The field is generated by electronic circuitry inside the posts.

All players and spectators can now see if the kick has gone over, rather than just those in line with the kicker. The new ball also saves the linesmen a long run to the posts, since it is their job to "flag up" the conversion.

The team of researchers led by Professor Peter Frampton, use extract from crushed firefly tails as the light source. The light-emitting chemical - known as Luciferin - is commonly used by biochemists to indicate energy output, and normally glows when energised by electrons. The biological material is extracted, purified and coated on to the ball with a polymer material then applied as a protective sealant.

Professor Frampton spoke excitedly of the possible gains from this development. "The years of research and develop-



Bright idea: The new ball is able to indicate a successful kick at goal by emitting light as it passes between the posts

ment costs will soon be offset by sales around the world. There are lucrative markets abroad, especially in the major rugby-playing nations - New Zealand, South Africa and Australia."

At home, Blackheath rugby union club have expressed an interest. A lifelong supporter of the club, Prof Frampton has given demonstrations of the ball to the home crowd. "As the world's oldest club, it is fitting they should be the first to enjoy developments at the forefront of technology," he said.

Critics point out that if the ball does go into production, there simply will not be enough fireflies to keep pace with demand. Prof Frampton quickly counters this.

"Recombinant DNA technology has now advanced to the point where we can make tons of the stuff by genetic engineering," he said. "UCL have already developed a fermentation vessel for the job. This will not only increase the yield of biologically active material, but will also appease the animal rights lobby, who object to the wholesale slaughter of fireflies."

### MORSE

Computer particle contamination

What you can do.

According to a new report by the Applied Particle Research Institute, London, microscopic atmospheric particles (caused by recent fires in South East Asia) have contaminated most recent silicon chip production. Around 428,000 computer systems shipped in the UK since last January are believed to be affected.

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